

Governor Steve Sisolak
Chairman

Susan Brown
Clerk of the Board



Attorney General Aaron D. Ford
Member

Secretary of State Barbara K. Cegavske
Member

STATE OF NEVADA BOARD OF EXAMINERS

209 E. Musser Street, Room 200 / Carson City, NV 89701-4298
Phone: (775) 684-0222 / Fax: (775) 684-0260
<http://budget.nv.gov/Meetings>

MEETING MINUTES

Date and Time: August 9, 2019, 10:00 AM

Location: Old Assembly Chambers of the Capitol Building
101 North Carson Street
Carson City, Nevada 89701

Video Conference Location: Grant Sawyer Building
555 East Washington Avenue, Suite 5100
Las Vegas, Nevada 89101

MEMBERS PRESENT:

Governor Steve Sisolak – Present in Las Vegas
Attorney General Aaron Ford – Present in Las Vegas
Secretary of State Barbara Cegavske – Present in Las Vegas

STAFF PRESENT:

Susan Brown, Clerk of the Board – Present in Las Vegas
Rosalie Borderlove, Board Counsel, Deputy Attorney General Office – Present in Las Vegas
Dale Ann Luzzi, Board Secretary

OTHERS PRESENT:

Dennis Gallagher, Chief Deputy, Attorney General's Office
Joe Vadala, Special Counsel, Attorney General's Office
Kent Ervin, Member of Public
Bill Newport, Member of Public
Dawn Williford, Member of Public
Marilyn Round, Member of Public
Alexis Ashford, Member of Public

1. Call to Order / Roll Call

Governor: I would like to call today's meeting for the State of Nevada Board of Examiners to order for August 9, 2019. Can I ask the Board Secretary to call the roll please?

Secretary: Good morning. Governor Sisolak.

Governor: Here.

Secretary: Secretary of State Cegavske.

Secretary of State: Here.

Secretary: Attorney General Ford.

Attorney General: Here.

Secretary: Let the record reflect we do have a quorum.

Governor: Thank you.

2. Public Comment (The first public comment is limited to comments on items on the agenda. No action may be taken upon a matter raised under public comment period unless the matter itself has been specifically included on an agenda as an action item. The Chair of the Board will impose a time limit of three minutes).

Governor: This is the first time for public comment. Anyone wishing to address the Board on any item that is on today's agenda, please step forward, identify yourself for the record. Comments will be limited to three minutes.

Do we have any in Carson City?

Secretary: We do not.

Governor: Do we have any in Las Vegas? We do not.

3. Approval of the July 9, 2019 Minutes (For possible action)

Governor: Next item, do I have a motion for approval of item number 3, *Approval of the July 9, 2019 Minutes*?

Secretary of State: So moved.

Attorney General: Second.

Governor: We have a motion on the floor and a second, is there any discussion? Hearing and seeing none, all in favor signify by saying aye. Any opposed? The motion passes.

4. Department of Administration – Victims of Crime Fiscal Year 2019 4th Quarter Report and Fiscal Year 2020 1st Quarter Recommendation

Pursuant to Nevada Revised Statute (NRS) 217.260, the Department shall prepare and submit quarterly, to the Board of Examiners, for its approval, estimates of available revenue in the fund for the compensation of victims of crime, and the anticipated expenses for the quarter. Claims are categorized as to their priority; and claims categorized as the highest priority are paid, in whole or in part, before other claims.

The 4th quarter fiscal year 2019 Victims of Crime Program report states all approved claims were resolved totaling \$7,280,681.20 with \$1,722,180.28 paid out of the Victims of Crime Program account and \$5,558,500.92 resolved through vendor fee adjustments and cost-containment policies. The program anticipates future cash available at \$7.1 million at the end of Fiscal Year 2020 to help defray crime victims' medical costs. Based on these projections, the Victims of Crime Program recommends paying Priority One, Two and Three claims at 100% of the approved amount for the 1st quarter of fiscal year 2020.

Governor: Item number 4, *Department of Administration, Victims of Crime, Fiscal Year 2019 4th Quarter Report and Fiscal Year 2020 1st Quarter Recommendation.*

Clerk: Good morning, Governor and Members of the Board. Item number 4 is a Victims of Crime Fourth Quarter Report and a Fiscal Year 2020 First Quarter Recommendation. This will be the final report on the Board of Examiners agenda due to a change in statute.

Pursuant to NRS 217.260, the Board of Examiners is required to estimate the available revenue and anticipated claim costs for the State Victims of Crime Program. This item includes a report on the claims paid in the 4th quarter of Fiscal Year 2019 and a recommendation to pay Priority 1, 2 and 3 claims at 100% for the 1st quarter of Fiscal Year 2020. When this report was submitted, the Program anticipated having a reserve at the end of Fiscal Year 2020 of approximately \$7.7 million after covering all expenses and includes a 45-day operating reserve which is a slight increase from the projected reserve of \$7.6 million at the end of the fourth quarter for Fiscal Year 2019. Representatives from the Department are available to answer any questions the Board may have.

Governor: Thank you.

Secretary of State: I'd like to comment, Governor.

Governor: Absolutely, Secretary Cegavske.

Secretary of State: Thank you. I just wanted to thank the people that have been coming forward at every meeting and thank them for everything they have been doing. The reports have been very good and just all the hard work that they've been doing for the years that I've been listening to them and having them come forward. So, just wanted to thank you very much.

Governor: Thank you and we echo your comments.

5. State Vehicle Purchases (For possible action)

Pursuant to NRS 334.010, no automobile may be purchased by any department, office, bureau, officer or employee of the state without prior written consent of the State Board of Examiners.

AGENCY NAME	# OF VEHICLES	NOT TO EXCEED:
Department of Conservation and Natural Resources – Division of State Parks	24	\$880,897
Department of Public Safety – Nevada Highway Patrol	10	\$349,860
Department of Public Safety – Nevada Highway Patrol	225	\$13,282,242
Total	259	\$14,512,999

Governor: Item number 5, *State Vehicle Purchases*.

Clerk: There are three requests for vehicles on this agenda item. The first request is from the Department of Conservation and Natural Resources, Division of State Parks to purchase 23 replacement vehicles which have met the age and/or mileage requirements in the State Administrative Manual (SAM) and one new vehicle for the new Ranger position at Walker State Park.

The second and third requests are from the Department of Public Safety, Highway Patrol Division, the second is to purchase 10 new vehicles and the third is to purchase 225 replacement vehicles that have met the age and /or mileage requirements in SAM.

All these vehicles were included in the agencies’ legislatively approved budgets. Representatives from the departments are available to answer any questions.

Governor: Thank you. Do we have any questions on the vehicle purchases? I know I had some, but they’ve all been answered and I appreciate the answers.

Attorney General: You said there was a budget?

Governor: Yes, they’re all approved.

Secretary of State: So moved.

Attorney General: Second.

Governor: We have a motion on the floor and a second, any discussion on that motion? All in favor signify by saying aye. Any opposed? Motion passes.

6. Authorization to Contract with a Current and/or Former State Employee
(For possible action)

Board action under this item only grants permission to the employing agency. Current and former employees are still subject to all ethical requirement of NRS chapter 281A, specifically including subsection 550 which restricts certain former employees and state agencies.

A. Department of Administration – Purchasing Division

Pursuant to NRS 333.705, subsection 1, the Purchasing Division, on behalf of Capitol Police, requests authority to contract with former employee Desirae Munns to perform Administrative Assistant duties for Capitol Police. The former employee will be hired through Master Service Agreement #18404, with HAT Ltd., DBA Manpower Services.

B. Department of Administration – Purchasing Division

Pursuant to NRS 333.705, subsection 1, the Purchasing Division, on behalf of Department of Public Safety, requests authority to contract with former employee Gina M. Johnson to perform background investigations on a part-time/as-needed basis. The former employee will be hired through Master Service Agreement #19314, with Martin-Ross and Associates, LLC.

C. Governor’s Office – Nevada Athletic Commission

Pursuant to NRS 333.705, subsection 1, the Nevada Athletic Commission requests authority to contract with Renee A. Shivers-Lightford a current Criminal Investigator III with the Office of the Nevada Secretary of State – Securities Division, to assist the Athletic Commission staff during events and weigh-ins to ensure that all rules and regulations pertaining to unarmed combat are adhered to.

D. Department of Transportation

Pursuant to NRS 333.705, subsection 1, the Department requests to contract with a former employee, Christopher Petersen. Caviola Anson Group, Inc. is proposing to hire Mr. Petersen to fill a senior designer position and utilize his expertise to assist in alternative concept development and verification based on NDOT and Federal Highway Administration regulations for the I-15 Sahara Avenue Interchange to the Flamingo Study, agreement P384-18-015.

Governor: Item number 6, *Authorization to Contract with Current and/or Former State Employee*.

Clerk: Agenda item 6 includes four requests to contract with current and/or former employees pursuant to NRS 333.705, subsection 1.

The first request is from the Department of Administration, Purchasing Division on behalf of Capitol Police to contract with a former employee to perform administrative duties. This individual will be employed by Manpower through Master Service Agreement Contract #18404.

The second request is also from the Department of Administration, Purchasing Division on behalf of the Department of Public Safety to contract with a former employee to perform background investigations. This individual will be employed by Marin-Ross and Associates LLC which is a Master Service Agreement #19314.

The third request is from the Athletic Commission to contract with a current employee of the Secretary of State's Office who will assist the Commission staff during events and weigh-ins to ensure that all rules and regulations pertaining to unarmed combat are adhered to.

The fourth and final request is from the Department of Transportation to allow a contracted vendor to use a former employee to provide expertise to assist in alternative concept development and verification based on state and federal regulations for the I-15/Sahara Interchange.

Representatives from the departments are available to answer any questions.

Governor: I appreciate it, Susan, you got me answers to all my questions and they're all critical-fill positions or backlogged, except for the Athletic Commission weigh-in, which is I guess temporary in basis. Do we have any discussion, any question on this? Can I have a motion?

Attorney General: Move approval.

Governor: We have a motion on the floor for approval.

Secretary of State: Second.

Governor: And a second, all in favor signify by saying aye. Any opposed? Motion passes.

7. Requests for the Allocation and Disbursement of Funds for Salary Adjustments (For possible action)

The 2017 Legislature, through Assembly Bill 517 and Senate Bill 368, made appropriations from the General Fund and the Highway Fund to the Board of Examiners to meet salary deficiencies that may be created between the appropriated money of the State's respective departments, commissions, and agencies and the salary

requirements for the personnel of those departments, commissions, and agencies. The Board of Examiners, upon recommendation of the Director of the Governor’s Finance Office, may allocate and disburse amounts, from the appropriate fund, to the departments, commissions and agencies of the State for the purpose of paying personnel salary deficiencies.

The following department, commission and agency requests for allocations from the General Fund and/or Highway Fund salary adjustment accounts are recommended by the Director of Finance:

BA#	BUDGET ACCOUNT NAME	GENERAL FUND ADJUSTMENT	HWY FUND ADJUSTMENT
2666	Department of Employment, Training and Rehabilitation – Commission of Post-Secondary Education	\$11,594	
	Total	\$11,594	
1343	Commission on Ethics	\$1,962	
	Total	\$1,962	
1340	Governor’s Finance Office – Budget	\$47,647	
	Total	\$47,647	
3010	Nevada System of Higher Education – Desert Research Institute	\$59,519	
	Total	\$59,519	
3800	Department of Public Safety – Parole Board	\$3,200	
	Total	\$3,200	
2601	Department of Tourism and Cultural Affairs – Stewart Indian School Living Legacy	\$6,463	
	Total	\$6,463	

Governor: Item number 7.

Clerk: Item number 7 is requests for salary adjustments. Sections 4, 5, 6 and 7 of Assembly Bill 517 and sections 2, 3, 4 and 5 of Senate Bill 368 from the 2017 Session which appropriated Salary Adjustment funds to the Board of Examiners to cover vacancy salary savings built into agency budgets, as well as the 3% cost-of-living-adjustments (COLA) effective on July 1, 2017 and July 1, 2018 which were not included in agency salary budgets.

Requests are from the Department of Employment, Training and Rehabilitation, Commission of Post-Secondary Education to cover the cost of COLAs – this request has been reduced to \$8,468; Ethics Commission to cover the costs of COLAs in the amount of \$1,962; the

Governor's Finance Office to cover the cost of COLAs in the amount of \$47,647; the Nevada System of Higher Education, Desert Research Institute to cover the cost of COLAs in the amount of \$59,519; the Parole Board to cover the cost of COLAs in the amount of \$3,200; and the Department of Tourism and Cultural Affairs, Stewart Indian School of Living Legacy to cover the cost of COLAs in the amount of \$6,463.

These requests are all General Fund requests and this would leave a total balance in the account if they're approved of \$29.1 million. Representatives from the various agencies are available to answer any questions.

Governor: Thank you. Do we have any questions regarding these allocations or disbursements for salary adjustments?

Secretary of State: No.

Governor: Do I have a motion?

Attorney General: I move to approve as amended.

Secretary of State: Second.

Governor: We have a motion and a second on item number 7. Any discussion? Hearing and seeing none, all in favor signify by saying aye. Any opposed? The motion passes.

8. Request for a Recommendation of Approval to the Interim Finance Committee for an Allocation Amount from the Contingency Account (For possible action)

A. Department of Business and Industry – Office of the Labor Commissioner

Pursuant to NRS 353.268, the Office requests the Board's recommendation to the Interim Finance Committee for an allocation of \$146,682 from the Interim Finance Committee Contingency Account to cover projected costs related to the Task Force on Employee Misclassification arising from the passage of Senate Bill 493 in the 2019 Legislative Session.

B. Patient Protection Commission

Pursuant to NRS 353.268, the Commission requests the Board's recommendation to the Interim Finance Committee for an allocation of \$296,072 from the Interim Finance Committee Contingency Account, to cover projected costs related to the Patient Protection Commission arising from the passage of Senate Bill 544 in the 2019 Legislative Session.

Governor: Item number 8, *Request for a Recommendation of Approval to the Interim Finance Committee for an Allocation Amount from the Contingency Account.*

Clerk: Item 8 includes two requests for allocations from the Interim Finance Committee General Fund Contingency Account pursuant to NRS 353.268.

The first request is in the amount of \$146,682 from the Department of Business and Industry, Office of the Labor Commissioner to cover the projected cost related to the Taskforce on Employee Misclassification arising from the passage of Senate Bill 493 of the 2019 Legislative Session.

The second request is in the amount of \$296,072 from the Governor's Office, Patient Protection Commission to cover the projected costs related to the duties arising from the passage of Senate Bill 544 of the 2019 Legislative Session, which created the Patient Protection Commission.

Representatives are available to answer any questions you may have.

Governor: Thank you. Are there any questions regarding the allocations from the Contingency Account?

Attorney General: I don't, I just want to make a comment that I think both were very good pieces of legislation that passed. Thank you, Governor, for bringing on the Patient Protection Commission but I think this misclassification issue is also big.

Governor: Absolutely. I think they're going to be very effective and beneficial. Do we have a motion?

Attorney General: Move for approval.

Secretary of State: Second.

Governor: We have a motion and a second on the floor. Any discussion? All in favor, signify by saying aye. Any opposed? The motion passes.

9. Request to Pay a Cash Settlement (For possible action)

Pursuant to Article 5, Section 21 of the Nevada Constitution, the State Board of Examiners may approve, settle or deny any claim or action against the State, any of its agencies or any of its present or former officers, employees, immune contractors or State Legislators.

Department of Transportation (NDOT) – Administration – \$3,400

The Department requests settlement approval in the total amount of \$5,500 to fully resolve an eminent domain action to acquire 92 square feet and a temporary construction easement of 197 square feet on East Tropicana Avenue in Las Vegas as

part of an Americans with Disabilities Act (ADA) sidewalk improvement. NDOT previously deposited \$2,100 with the Court for a right of occupancy. NDOT now requests an additional \$3,400 to resolve the action.

Governor: Item number 9, *Request to Pay a Cash Settlement*.

Clerk: Item 9 includes a request for approval of a cash settlement from the Department of Transportation in the amount of \$3,400 to fully resolve an eminent domain action to acquire 92 square feet and a temporary construction easement of 197 square feet as part of an ADA sidewalk improvement. Approval of this additional amount would bring the total settlement to \$5,500. There are representatives from the Department available to answer any questions.

Governor: I have a question. Why did it change from—and I don't have a problem, this is not an enormous number but why did it change from the first time until now?

Dennis Gallagher: Governor, to answer your question, the dollar amount went up from the initial appraised value that the Department had placed on the property. There was no response from the out-of-state landowner, so we had to file a suit so we could get occupancy to get the project done. Subsequently, the landowner's representatives contacted the Department and we were able to reach this settlement for an additional \$3,400.

Governor: So, is the first appraisal stale, is that what happened?

Joe Vadala: Governor, we had an initial appraisal that was done based on the offer to the landowner and then time was going on and we needed to certify the project, so we went ahead and we filed because it was just a matter of communication, really, with the landowner. Then, when we finally did file the case and we began a negotiation with them, they offered to settle at \$5,500 total. Which again, we would have had to order a new appraisal, which could have eaten up the \$3,400 just in getting the updated appraisal. So, that's why we feel that this is the best interest of the State.

Governor: Thank you, got it. Do we have any other questions on this, item number 9? No, okay. Do I have a motion?

Attorney General: Move approval.

Secretary of State: Second.

Governor: We have a motion on the floor and a second, any discussion? All in favor signify by saying aye. Any opposed? Motion passes. Thank you. Thank you both, all three of you.

10. Approval of Proposed Contracts (For possible action)

Governor: Item number 10, *Approval of Proposed Contracts*.

Clerk: There are 37 contracts in agenda item 10 for approval by the Board this morning. Do any of the Members have additional questions on any of these items?

Governor: No, I do not. I just want to acknowledge, from my point of view, the briefing that I had, I always have a significant number of questions and I get answers back promptly and I think everybody's had the same experience.

Secretary of State: Yes, we do also. We had one contract that we had a question on and your staff was very forthcoming.

Governor: We appreciate that, thanks as always for helping us with that. Do we have any questions? Okay, so I have a motion on the approval of the proposed contracts?

Attorney General: Approval.

Secretary of State: Second.

Governor: We have a motion on the floor and a second, any discussion? All in favor signify by saying aye. Any opposed? Motion passes.

11. Approval of Proposed Master Service Agreements (For possible action)

Governor: Item number 11, *Approval of Proposed Master Service Agreements*.

Clerk: There are nine Master Service Agreements in agenda item 11 for approval by the Board this morning, no additional information had been requested.

Governor: Thank you. This is, likewise, I want to thank you for providing prompt answers to the questions that I had. Do we have any questions on the Master Service Agreements?

Secretary of State: No.

Attorney General: Move approval.

Governor: We have a motion on the floor and a second, any discussion? All in favor, signify by saying aye. Any opposed? The motion passes.

12. Approval of Proposed Work Plan (For possible action)

Governor: Item number 12, *Approval of Proposed Work Plan*.

Clerk: There are three work plans under agenda item 12 for approval today by the Board this morning. No additional information has been requested on these items.

Governor: Is there any discussion?

Attorney General: Move approval.

Secretary of State: Second

Governor: We have a motion on the floor and a second. Any discussion? All in favor, signify by saying aye. Any opposed? Motion passes on item number 12.

13. Clerk of the Board Contracts (Informational only)

Pursuant to NRS 333.700, the Clerk of the Board may approve all contract transactions for amounts less than \$50,000. Per direction from the August 13, 2013 meeting of the Board of Examiners, the Board wished to receive an informational item listing all approvals applicable to the new threshold (\$10,000 - \$49,999). Attached is a list of all applicable approvals for contracts and amendments approved from June 18, 2019 through July 17, 2019.

Governor: Item number 13, *Clerk of the Board Contracts*.

Clerk: There were 47 contracts under the \$50,000 threshold approved by the Clerk between June 18, 2019 and July 17, 2019. This item is informational. Do any of the Members have additional questions on these items?

Governor: We do not. Thank you.

14. Reports (Informational only)

Department of Conservation and Natural Resources – Division of State Lands

Pursuant to NRS 321.5954, the Division is required to provide the Board of Examiners quarterly reports regarding lands or interests in lands transferred, sold, exchanged, or leased under the Tahoe Basin Act program. Pursuant to Chapter 355, Statutes of Nevada, 1993, at page 1153, the agency is to report quarterly on the status of real property or interests in real property transferred under the Lake Tahoe Mitigation Program. This submittal reports on program activities for the 4th quarter of Fiscal Year 2019.

Governor: Item number 14, *Reports*. Department of Conservation and Natural Resources, Division of State Lands.

Clerk: Item 14 is an informational report regarding lands or interest in lands transferred, sold, exchanged or leased under the Tahoe Basin Act Program, as well as a quarterly report on the status of real property or interests in real property transferred under the Lake Tahoe Mitigation Program which is required pursuant to NRS 321.5954 and Chapter 355, Statutes of Nevada.

This report is for the quarter ending June 30, 2019. There were no acquisitions of land during this period. There were six transfers of interest in real property during this quarter which resulted in \$39,684 in proceeds to the Nevada Land Bank. Representatives from the Department are available to answer any questions.

Governor: Do we have any questions or comments on the Conservation and Natural Resources State Lands Report? That was for information.

That concludes our posted agenda.

15. Public Comment (This public comment period is for any matter that is within the jurisdiction of the public body. No action may be taken upon a matter raised under public comment period unless the matter itself has been specifically included on an agenda as an action item. The Chair of the Board will impose a time limit of three minutes.

Governor: Item number 15 is *Public Comment*. This is time set aside for anyone wishing to address the Board on any item, please step forward, identify yourself for the record and comments will be limited to three minutes. I see one in Carson City and I've got several down here. Good morning.

Public Comments: There were five members of the public who provided comments. Their written statements are in Attachment A. [See Attachment A]

16. Adjournment (For possible action)

Governor: Do I have a motion to adjourn?

Attorney General: So moved.

Secretary of State: Second.

Governor: We have a motion and a second. Any discussion? All in favor, signify by saying aye. Any opposed? Motion passes. We are adjourned. Thank you.