

Governor Brian Sandoval
Chairman

Paul Nicks
Clerk of the Board



Attorney General Adam Paul Laxalt
Member

Secretary of State Barbara K. Cegavske
Member

STATE OF NEVADA BOARD OF EXAMINERS

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<http://budget.nv.gov/Meetings>

MINUTES

Date and Time: December 4, 2018, 10:00 AM

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

Video Conference Location: Grant Sawyer Building
555 E. Washington Avenue, Ste. 5100
Las Vegas, Nevada 89101

MEMBERS PRESENT:

Governor Brian Sandoval
Attorney General Adam Laxalt - Excused
Secretary of State, Barbara Cegavske
Paul Nicks, Clerk of the Board

OTHERS PRESENT:

Sarah Adler, Member of the Public
Caroline Bateman, Chief Deputy, Attorney General's Office
Michelle Morgando, Senior Appeals Officer, Department of Administration,
Hearings and Appeals Division
Rebecca Salazar, Program Manager, Department of Administration,
Victims of Crime Program
Charles Donohue, Division Administrator, Department of
Conservation and Natural Resources
Peter Barton, Division Administrator, Department of Tourism and Cultural Affairs
Vic Redding, Vice President of Administration and Finance, University of Nevada, Reno

1. Call to Order / Roll Call

Governor: Good morning ladies and gentlemen, I will call the Board of Examiners (BOE) Meeting to order. The Attorney General is excused so it will be just me and the Secretary of State.

2. Public Comment (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)

Governor: We'll move to agenda item number 2, Public Comment. Is there any member of the public present in Carson City that would like to provide public comment to the Board?

Sarah Adler: Good morning Governor and Members of the Board of Examiners. My name is Sarah Adler and I am the President of the National Alliance of Mental Illness (NAMI), Western Nevada. I just want to bring to your attention and appreciate the Department of Health and Human Services (DHHS) for a contract they're bringing before you today to write a Medicaid 1115(a) waiver. This will assist our state in moving forward in certified community behavioral health centers which have been very important for our community and we urge your support for that measure with that contract, thank you.

Governor: Thank you, Ms. Adler.

Is there anyone else present in Carson City that would like to provide public comment? I hear and see no one.

Is there anyone present in Las Vegas that would like to provide public comment to the Board? There is none.

3. Approval of the November 13, 2018 Minutes (For possible action)

Governor: We'll move to agenda item number 3, which is Approval of the November 13, 2018 minutes. Madam Secretary, have you had an opportunity to review the minutes?

Secretary of State: I have, Governor and I move for approval of the November 13, 2018 Minutes of the Board of Examiners.

Governor: I'll second the motion. All in favor, say aye. That motion passes, 2-0.

4. Department of Administration – Victims of Crime Fiscal Year 2019 1st Quarter Report and Fiscal Year 2019 2nd Quarter Recommendation (For possible action)

Pursuant to Nevada Revised Statute (NRS) 217.260, Department of Administration 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 claim costs for the quarter. If revenues are insufficient to pay anticipated claims, the statute directs a proportional decrease in claim payments.

The 1st quarter fiscal year 2019 Victims of Crime Program report states all approved claims were resolved totaling \$5,512,951.49 with \$2,107,457.87 paid out of the Victims of Crime Program account and \$3,405,493.62 resolved through vendor fee adjustments and cost containment policies.

The program anticipates future cash available at \$3.4 million at the end of Fiscal Year 2019 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 2nd quarter of fiscal year 2019.

Governor: We'll move on to agenda item number 4, Department of Administration, Victims of Crime, Fiscal Year 2019, 1st Quarter Report and Fiscal Year 2019, 2nd Quarter Recommendations. Mr. Nicks, good morning.

Clerk: Good morning Governor and Madam Secretary. Pursuant to Nevada Revised Statute (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 1st quarter of fiscal year 2019 and a recommendation to pay Priority 1, 2 and 3 claims at 100% for the 2nd quarter of fiscal year 2019.

When this report was submitted, the Program anticipated having a reserve at the end of the 2nd quarter of Fiscal Year (FY) 2019 of approximately \$5.3 million, after covering all expenses, and a 45-day operating reserve, which is a decrease of approximately \$4 million from the projected reserve of \$9.3 million at the end of the 1st quarter. The decrease is primarily due to the number of claims filed subsequent to the Route 91 Harvest Music Festival mass casualty incident on October 1, 2017. Agency representatives still expect to obtain additional federal funding to offset the expenses associated with the October 1 incident. At this time, the \$5.3 million should be a reasonable reserve for the program. Representatives from the department are available to answer any questions the Board may have.

Governor: Thank you.

I do have one question if I could please. Good morning. Just a straightforward question. So, the State was the beneficiary of a significant grant, recently, within the last week. Is that relevant and will it reimburse some of the funding that we've paid out, associated with the tragedy on October 1?

Rebecca Salazar: At the time of writing this report, we were unsure of the status of that grant, but yes, we expect to receive it. We've received notification that we will and we expect that to fully reimburse everything that we have paid out for Route 91 victims.

Governor: Yes, so, what is everything we have paid out? Do you have a ballpark figure?

Rebecca Salazar: I do. We've spent roughly \$3.5 million so far, in victim's payments and another \$100,000 on operating costs. We expect reimbursement of that and then, we expect additional funds to help with future costs.

Governor: Do you recall how much that grant was?

Rebecca Salazar: The State received roughly \$16 million. Our portion is about \$7.5 million.

Governor: So, if it's \$7.5 million and we have spent \$3.6 million, we'll essentially have in a savings account, over \$4 million for future claims?

Rebecca Salazar: That's correct.

Governor: What if that pot of money isn't used completely? What happens to the balance?

Rebecca Salazar: I believe it will go back to the federal government but we haven't received enough instruction about it at this point. I can't answer that with certainty but my understanding is that it will go back. So, we will try to avoid that. We'll try to use as much as we can.

Governor: Certainly. Are there any significant outstanding claims that haven't been paid that now will be able to be paid?

Rebecca Salazar: There's nothing outstanding. We pay as we receive claims so, everything we have so far, that we've been able to settle, we've settled. There are many bills which we are still working to obtain all the pieces and parts needed to process so, we think we can use it.

Governor: Yes, and for the benefit of the victims, absolutely. I'm really pleased and appreciative of the Department of Justice and its grant of that award and those that were responsible for writing the grant application. Elyse Monroy is here and I know that she and her team played a significant role in making that happen for these victims. I want to thank the two of you for your hard work in ensuring that all of those victims get the attention and the resources that they deserve so, thank you.

Rebecca Salazar: Thank you, Governor.

Governor: Madam Secretary, any questions?

Secretary of State: No questions, Governor. I just want to say I agree with everything you said and the questions you asked were right on, and again, our thanks to all of you. Thank you, Governor.

Rebecca Salazar: Thank you, Madam Secretary.

Governor: Is there anything else you wanted to add?

Michelle Morgando: If I may comment on behalf of the Victims of Crime Program and particularly, Ms. Salazar. We appreciate the efforts and the interest and support of the Board of Examiners this past year. It's been trying and emotional and we appreciate your guidance. Thank you.

Governor: Thank you very much. If there are no further questions or comments, the Chair will accept a motion to approve the Victims of Crime Fiscal Year 2019 1st Quarter Report and Fiscal Year 2019 2nd Quarter Recommendation.

Secretary of State: I'll move for approval, Governor.

Governor: The Secretary of State has moved for approval. I second the motion. All in favor, say aye. That motion passes 2-0. Thank you very much.

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 EXCEED: | TO |
|--|---------------|-------------------|----|
| Department of Administration – Buildings and Grounds | 3 | \$101,357 | |
| Department of Agriculture – Division of Consumer Equitability | 2 | \$73,132 | |
| Department of Conservation and Natural Resources – Environmental Protection Division | 1 | \$27,502 | |
| Department of Corrections | 1 | \$12,231 | |
| Department of Wildlife | 12 | \$381,314 | |
| Total | 19 | \$ 595,536 | |

Governor: Agenda item number 5, State Vehicle Purchases, Mr. Nicks.

Clerk: There are five requests for 19 vehicles on this agenda item, one vehicle is being removed from this agenda item reducing the total vehicles requested to 18.

The first request is from the Department of Administration, State Public Works Division, Buildings and Grounds to purchase one replacement vehicle and two new vehicles for \$101,357. This request has been modified to remove one new vehicle. The agency plans to request that vehicle in their FY 2020/2021 budget. The revised amount for the vehicle purchase is \$66,434. The vehicle being replaced has met the mileage and age requirements in the State Administrative Manual (SAM) and was included in the agency's legislatively approved budget. The amount funded is less than the current cost of the vehicle. The difference will be covered by realized savings. The new vehicle was not part of the agency's legislatively approved budget and will be funded through realized savings and reserves. The new vehicle purchase is dependent on approval of a work program in the December Interim Finance Committee (IFC) meeting.

The second request is from the Department of Agriculture, Division of Consumer Equitability for the purchase of two replacement vehicles for \$73,132. The vehicles being replaced have met the mileage and/or age requirements in SAM and were included in the agency's legislatively approved budget. The funding is insufficient due to price increases. The additional cost will be funded through reserves and is dependent on approval of a work program at the December IFC meeting.

The third request is from the Department of Conservation and Natural Resources, Environmental Protection Division to purchase one replacement vehicle for \$27,502. The vehicle being replaced has met the age requirements in SAM and was included in the agency's legislatively approved budget.

The fourth request is from the Department of Corrections to purchase one replacement vehicle for \$12,231. The vehicle being replaced was totaled in an accident. The vehicle replacement is being funded using insurance settlement funds.

The fifth request is from the Department of Wildlife to purchase 12 replacement vehicles for \$381,314. The vehicles being replaced have met the age and/or mileage requirements in SAM and were included in the agency's legislatively approved budget.

Representatives from the departments are available to answer any questions the Board may have.

Governor: Thank you, Mr. Nicks. Madam Secretary, any questions on this agenda item?

Secretary of State: No questions. I move for approval of the state vehicle purchases in item number 5.

Governor: Secretary of State has moved for the approval of the state vehicle purchases, as presented in agenda item number 5, with the amendment to the Department of Administration, Buildings and Grounds for the decrease of one vehicle, for a balance of \$66,434.

Secretary of State: Correct, thank you, Governor.

Governor: I second the motion. All those in favor, say aye. That motion passes, 2-0.

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

Department of Corrections (2)

Pursuant to NRS 333.705, subsection 1, the Department requests authority to contract with Jacques Graham, a current Administrative Assistant IV with the Nevada Department of Corrections, to deliver packages to inmates.

Pursuant to NRS 333.705, subsection 1, the Department requests authority to contract with Danyele Sipes, a current Administrative Assistant II with the Nevada Department of Corrections, to deliver packages to inmates.

Governor: We'll move to agenda item number 6, Authorization to Contract with a Current and/or Former State Employee by the Department of Corrections. Mr. Nicks.

Clerk: Item 6 includes one request to contract with current and/or former employees pursuant to NRS 333.705, subsection 1. The request is from the Department of Corrections to contract with two current employees to deliver packages to inmates through September 2019. The deliveries will occur off-hours. Representatives from the Department are available to answer any questions the Board may have.

Governor: Thank you, Mr. Nicks. We had several of these in our last meeting, I have no questions. Madam Secretary, any questions?

Secretary of State: No questions, Governor. I move for authorization to contract with a current and/or former state employee.

Governor: Okay, the Secretary has moved to authorize the contract with a current and/or former state employee by the Department of Corrections as presented in agenda item number 6. I second the motion. All in favor say aye. That motion passes 2-0.

7. Request for Approval to Pay a Claim From the Stale Claims Account (For possible action)

Department of Education

Pursuant to NRS 353.097, subsection 4, the Division requests approval to pay \$100,000 from the General Fund, Stale Claims Account, for FY 2018 invoice from WestED for work related to the Department of Education's assessment system.

Governor: Agenda item number 7, Request for Approval to Pay a Claim from the Stale Claims Account. Mr. Nicks.

Clerk: Item 7 includes one request to pay late invoices pursuant to NRS 353.097. The request is from the Department of Education to pay \$100,000 to WestED for work related to the Department of Education's assessment system. The invoice was received by the Department after the cutoff for processing fiscal year 2018 transactions. Funds in this program did not balance forward and the Department did revert sufficient funds to cover the costs of this claim. The claim will be paid from the State Claims Account. Representatives from the Department are available to answer any questions the Board may have.

Governor: Thank you, Mr. Nicks. I have no questions. Madam Secretary?

Secretary of State: Thank you, Governor, I have no questions. I move for approval for the request to pay a claim from the State Claims Account on item number 7.

Governor: Thank you. The Secretary of State has moved to approve the request to approve the payment of a claim from the State Claims Account by the Department of Education in the amount of \$100,000. I second the motion. All in favor, say aye. That motion passes 2-0.

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 Conservation and Natural Resources – Division of Forestry

Pursuant to NRS 353.268, the Division requests an allocation of \$3,837,742 from the Interim Finance Committee General Fund Contingency Account to cover incurred and projected emergency response costs until the Division can make a supplemental request during the 2019 Legislative session.

B. Department of Public Safety – Division of Emergency Management

Pursuant to NRS 353.268, the Division requests the Board's recommendation to the Interim Finance Committee for \$291,773 from Contingency Account to cover costs associated with providing security support to Clark County during the upcoming New Year's Eve activities.

C. Governor's Finance Office

Pursuant to NRS 353.268, the Governor's Finance Office requests the Board's recommendation to the Interim Finance Committee for an allocation of \$427,929 from the IFC Contingency Account to replenish the State Claims account through June 30, 2019.

Governor: Agenda item number 8, Request for Recommendation of Approval to the IFC for an Allocation Amount from the Contingency Account. Mr. Nicks.

Clerk: Item 8 has three requests for a positive recommendation to the Interim Finance Committee pursuant to NRS 353.268. The General Fund Contingency Account has an approximate balance of \$7 million to cover unanticipated costs for the remainder of the 2017-2019 biennium. If these items are approved, the remaining balance of the account will be approximately \$1.9 million.

The first request is from the Department of Conservation and Natural Resources, Division of Forestry in the amount of \$3,837,742 to account for incurred and projected emergency response costs until a supplemental appropriation can be received from the 2019 legislative session.

The second request is from the Department of Public Safety, Division of Emergency Management in the amount of \$291,773 to fund the security support to Clark County during the upcoming New Year's Eve activities.

The third request is from the Governor's Finance Office in the amount of \$427,929 to replenish the Stale Claims Account. Additional stale claims have been received since the agenda was posted. Due to the additional stale claims, the agency is now requesting \$890,000 to replenish the Stale Claims Account.

Representatives from the departments are available to answer any questions the Board may have.

Governor: Thank you, Mr. Nicks. I don't have any questions. We've had several requests by the Division of Forestry and obviously, they're necessary, given the severity of the fire season that we had and the resources we provided outside the state as well, and I'm really grateful for what they've done. Certainly, it does take a significant amount out of the account but at the same time, the Legislature will be coming into session so, barring any really bad things happen, we should be okay between now and when IFC can put more money into that account, correct?

Clerk: That is correct, Governor.

Governor: Alright. Then, no questions with regard to agenda 8-B, I see Chief Cage in the audience. Obviously, it's really important to be able to provide the resources to assist Clark County associated with New Year's Eve activities. I had the privilege of joining the Sheriff last New Year's Eve and you'd be overwhelmed about the number of resources, but it's really important to protect and make all those people feel safe. With regard to agenda item C, it's straightforward, \$890,000.

Caroline Bateman: Governor, just a note on agenda item 8-C – based on the amount listed on the agenda, \$427,929, I advise that to increase that amount without noticing it on the agenda may constitute an Open Meeting Law violation. I would advise the Board to either stick with the agenda amount now or make those representations to the IFC if necessary or to bring that agenda item back on your January meeting.

Governor: Alright, why don't we just make it simple. Why don't we approve the amount that was on the agenda and continue the balance to the next regularly scheduled meeting which is the first week of January, correct, Mr. Nicks?

Clerk: The January meeting has been pushed back a week. It was originally scheduled for the day after the inauguration, so we're going to push it back a week. This shouldn't have an impact on us. There is another IFC scheduled before the Legislative Session starts. We haven't gotten the final date on when that is. We should be okay to put the additional funds in on the January IFC and move forward or the January BOE and IFC and move forward from there.

Governor: Alright, thank you.

Thank you for the heads-up, Ms. Bateman. I was not aware of that issue. I appreciate the catch.

Madam Secretary, I have no further questions. Why don't we move forward with a motion to approve agenda item number 8 as presented on the agenda. The \$427,929 is what we'll approve today.

Secretary of State: Governor, I will move for approval of 8-A, B and C, as presented in the agenda.

Governor: Thank you, Madam Secretary. The Secretary has moved to approve agenda item number 8-A, B and C. I second the motion. All in favor say aye. That motion passes 2-0.

9. Request to Exchange Land (For possible action)

Department of Conservation and Natural Resources – Division of State Lands

Pursuant to NRS 323.100, the State Land Registrar may, with the approval of the Board and the Interim Finance Committee, exchange state lands for any other lands if the Division determines that the value of the lands are equal, or if the values are not equal, that the land value may be equalized by the payment of money if the payment is not more than 25% of the total land value.

The State Land Registrar and the Board of Regents, Nevada System of Higher Education OBO University of Nevada Reno (UNR) seek the Board's approval of an exchange of money and properties, including undeveloped land on and near the UNR campus which fulfills the requirements of NRS 323.100.

Governor: We'll move on to agenda item number 9 which is a Request to Exchange Land. Mr. Nicks.

Clerk: This item is a request from the Department of Conservation and Natural Resources, Division of State Lands for the Board to approve the exchange of state land between the Division and the University of Nevada, Reno, Board of Regents. The properties are located in Washoe County near the University of Nevada, Reno. The Division will exchange the Nevada Historical Society building, two parcels of undeveloped land and \$773,625 for the Warren Nelson property. All parties concur with the exchange which must be approved by the Interim Finance Committee before it can be finalized. Representatives from the Division of State Lands and the Museums and History Division are available to answer any questions the Board may have.

Governor: Good morning gentlemen. So, who is leading on this?

Charlie Donahue: Good morning, Governor, Madam Secretary. I think your staff just captured the exchange very well. The exchange is to provide an opportunity for museums to expand their operations on Second Street and to move off of the University campus. The University is also anxious to secure this property, the Historical Society Building, because they need that space for, we've been informed, faculty or administrative purposes.

It's a unique transaction. We have done these before, Governor but in this case, it's interesting that we are actually bundling a building, as well as undeveloped properties and supplementing that with a little bit of cash from Museums, which is allowed by NRS 323.100.

Governor: Thank you. I think this is classic win-win. In terms of the money amounts, do they match the value of the Nelson building, as compared to the University property, or our properties on the University campus?

Charlie Donahue: Yes. The appraised value for the Nelson building was \$4.5 million. The appraised value for the historical society building was \$2.85 million. The appraised value for the two undeveloped portions of state property on the campus was just under \$900,000 at \$876,000. The Division of Museums is providing cash in the amount of \$773,625.

Governor: Thank you. Mr. Barton, just a question for you. I think it's fabulous to have a museum in downtown Reno, is that building in move-in shape or will there have to be some improvements done to that to make it compatible with the museum?

Peter Barton: Good morning, Governor. The Warren Nelson building was and is currently being used by the University for various programs so, it's in virtually move-in condition. It wouldn't be fair for me to say that we're not going to do some renovations to expand ceiling heights to provide engaging exhibit spaces but our program can move in now. We can restore the research library function without further improvements to the building, then, gradually restore the public exhibition galleries.

For us, it's a critical move. We've completely outgrown the space available to us on the campus. We've got collections stored in three offsite locations. This will allow us to consolidate and serve the public in a better location. As you know, West Second Street is seeing some redevelopment, some fine dining is moving in. We're along the riverfront. It's just more central to the audience we attract.

Governor: Yes, and I'm biased because you know how I feel about museums. It's just a fabulous location and something that downtown Reno, well, I don't want to say 'needs it,' because I think it's doing well, but it's just another nice compliment to what is already happening there. Frankly, for me to have historical artifacts in a warehouse is not the purpose and now, an opportunity to be able to make them accessible and available to the public is wonderful. So, do you know, that building up on campus, I've been there several times, it's very small – can you give a better sense of how many more exhibits you'll be able to put out there as a result of moving into the Nelson building?

Peter Barton: Governor, we will certainly be expanding over time the number of exhibits, the breadth, the depth, the focus and the theme of the exhibits that we can produce in the Warren Nelson building. It's more than two and a half times the size of what we occupy now. It has the wonderful 200 seat Laxalt theater that is fully functional, equipped and can be used immediately for public programming. So, over the course of time, we really expect the historical society to be the anchor for Reno History and Northern Nevada History.

Governor: Thank you and one last question, Mr. Barton. When do you anticipate taking occupancy and those exhibits starting to be available to the public?

Peter Barton: Governor, the agreement as it stands now calls to close escrow by March 31, 2020. We hope to be able to accelerate that. I believe the University would like to see us execute escrow or complete escrow on a quicker timetable and, of course, is dependent upon approval at IFC next week. Once escrow closes, we anticipate an 8 to 10 month period when the Historical Society will be closed while we're packing and doing the physical move. So, within a year after escrow closes, we would anticipate being back available to the public and developing those exhibits over time.

Governor: Thank you, Mr. Barton. I think I read but has the Board of Regents approved this transaction?

Vic Redding: Good morning, the Board of Regents did approve this at their meeting last week.

Governor: Do they feel the same way I do? I think this is marvelous.

Vic Redding: Absolutely, Governor. On behalf of UNR, we will be thrilled to get that space on campus. One of our biggest bottlenecks right now is office space for both faculty and administrative staff. We will utilize that space immediately with up to 70 workspaces. Most likely it will either go to a fast-growing academic program or likely, a consolidation of other back-office functions across campus, opening up faculty space in the core. Either way, we are ready to use it immediately.

Governor: Yes, my only regret is that it didn't happen sooner. So, Madam Secretary, any questions?

Secretary of State: Thank you, Governor, no. I just echo what you said as I've seen the pieces and the sections here and there. This is really exciting that it all gets to come together, so, thank you for all your work on putting this together. Thank you, Governor for your insights on museums. We really appreciate it.

Governor: Well, just tell me when the opening day is, so I can be there. It's not often that we get really good news with win-win scenarios like this on our agenda. So, I'm really pleased and particularly for the University and for the public to be able to have access to those historical artifacts. Gentlemen, thank you. If there are no further questions, Madam Secretary, do you have a motion?

Secretary of State: I do, Governor. I move that item number 9, the Request to Exchange Lands, be approved.

Governor: The Secretary of State has moved to approve the request to exchange land as presented in agenda item number 9. I second the motion. All in favor, say aye. That motion passes 2-0. Well done, thank you.

10. Approval of Proposed Leases (For possible action)

Governor: Agenda item number 10, Approval of Proposed Leases, Mr. Nicks.

Clerk: There are four leases in agenda item 10 for approval by the Board this morning. No additional information was requested by Members.

Governor: Okay. I have no questions. Madam Secretary, any questions on agenda item number 10?

Secretary of State: No, move for approval of item number 10, Proposed Leases.

Governor: The Secretary of State has moved to approve the proposed leases presented in agenda item number 10. I second the motion. All in favor, say aye. That motion passes 2-0.

11. Approval of Proposed Contracts (For possible action)

Governor: We'll move to agenda item number 11, Contracts.

Clerk: There are 32 contracts in agenda item 11 for approval by the Board this morning. No additional information has been requested by Members.

Governor: Thank you, Mr. Nicks. This is the first time in eight years, and I've never missed a meeting, that I haven't had a question on a single contract. So, sorry everyone that I waited until the last meeting but it was a pretty clean agenda. Did we, Mr. Nicks, maybe you said this, did we remove, I think its Contract 33, from the agenda?

Clerk: That's correct, Governor. Contract 33 will be placed on January's agenda.

Governor: If there are no further questions, the Chair will accept a motion to approve Contracts 1 through 32 as presented in agenda item number 11.

Secretary of State: So moved.

Governor: Secretary of State has moved for approval. I second the motion. All in favor, say aye. That motion passes 2-0.

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

Governor: We'll move to 12, Approval of Proposed Master Service Agreements. Mr. Nicks.

Clerk: There are 17 Master Service Agreements in agenda item 12 for approval by the Board this morning. One of these agreements replaces existing provider agreements as explained at the June BOE meeting. No additional information has been requested by Members.

Governor: I have no questions on agenda item number 12. Madam Secretary?

Secretary of State: I move for approval of the proposed Master Service Agreements in item number 12.

Governor: Thank you. The Secretary of State has moved to approve the Master Service Agreements in agenda item number 12. I second the motion. All in favor, say aye. That motion passes 2-0.

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

Governor: Agenda item 13, Approval of Proposed Work Plan. Mr. Nicks.

Clerk: There is one work program for approval by the Board this morning. No additional information has been requested by Members.

Governor: Thank you, Mr. Nicks. I have no questions. Madam Secretary, a motion?

Secretary of State: No questions, Governor. Thank you. I move for approval of the proposed Work Plan in item number 13.

Governor: The Secretary of State has moved to approve the Work Plan in agenda item number 13. I second the motion. All in favor, say aye. That motion passes 2-0.

14. Information Item – Clerk of the Board Contracts

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 October 23, 2018 through November 9, 2018.

Governor: We'll move to agenda item 14, Information Item, Mr. Nicks.

Clerk: There were 21 contracts under the \$50,000 threshold approved by the Clerk between October 23, 2018 and November 9, 2018. This item is informational only. No additional information has been requested by Members.

Governor: Thank you, Mr. Nicks. Madam Secretary, any questions?

Secretary of State: No, Governor.

Governor: Thank you, I have none.

15. Information Item – Reports

A. Statewide Quarterly Overtime Report – Fiscal Year 2018 4th Quarter

Pursuant to NRS 284.180, the Department of Administration, Division of Human Resource Management must prepare and submit quarterly to the Budget Division of the Office of Finance a report regarding all overtime worked by employees of the Executive Department during the quarter. The Budget Division shall transmit quarterly to the Board of Examiners the report and the analysis of the Budget Division regarding the report. The Budget Division submits the 1st Quarter Overtime Report and analysis for Fiscal Year 2019.

B. 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 1st quarter of Fiscal Year 2019.

Governor: We'll move to agenda item number 15, which is another information item. Mr. Nicks.

Clerk: The first report is on overtime and accrued compensatory leave for the first quarter of FY 2019. My staff summarized the report into a two-page summary, so I will not read the details but will hit a few highlights.

For the first three months of fiscal year 2019, overtime pay and compensatory leave accounted for a total of approximately \$13.04 million, or 5.1%, of total pay; a 14.7% decrease from fiscal year 2018. The Department of Health and Human Services had the highest amount of overtime and compensatory time at \$2.93 million, or 4.09% of their base pay; followed by the Department of Corrections, at \$2.83 million, or 7.79% of base pay. Those two agencies accounted for 44.2% of the overtime for the quarter. On Page 2, the Department of Corrections, at the seven locations, overtime and compensatory time accounted for 73.3% of the total overtime for the Department. By event code, the highest four causes on Page 2 accounted for 76.4% of the overtime at the Department of Corrections for first quarter of 2019. At the Department of Health and Human Services, the four event codes on the bottom of Page 2 accounted for 69.9% of their overtime.

I did look at the second quarter for these two departments and through four of seven pay periods for the quarter, the Department of Corrections has incurred \$1.68 million in overtime and compensatory time, while DHHS has incurred \$1.73 million.

The second is an informational contract regarding lands or interests 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 are required pursuant to NRS 321.5954 and Chapter 355, Statutes of Nevada, 1993 respectively.

This report is for the quarter ending September 30, 2018. There were no activities under the Tahoe Basin Act but there were five transactions under the Lake Tahoe Mitigation Program resulting in a sale of 5,263 square feet of land coverage resulting in proceeds of \$108,482 for the Nevada Land Bank.

Governor: Thank you, Mr. Nicks. Madam Secretary, any questions with regard to agenda item 15?

Secretary of State: No Governor, thank you.

16. Public Comment (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).

Governor: Public Comment – is there any public comment from Las Vegas? I hear and see none. Is there any public comment from Carson City? I hear none.

I just wanted to wish everybody a happy holiday, a Happy New Year and thank you for the privilege and honor of serving with all of you. Thank you.

Secretary of State: Thank you, Governor. I want to, and I believe from all the agencies too, we want to thank you for your eight years of dedication. I'm thrilled because I got to sit next to you in 1997. You helped me with judiciary. I'm just thrilled to be here today, with you, your last meeting for BOE. We want to thank you for not only your knowledge, the information, but your staff has been absolutely tremendous. We call and ask them questions we have, we get resolutions before we come, which is very, very helpful. Just wanted to thank you very much for everything you've done. Thank you for your service to our great State.

Governor: Thank you, Madam Secretary. The Secretary of State and I sat next to one another in 1997 in the State Legislature, some people don't know that.

I too want to complement our office staff. They've done a fabulous job.

Most importantly, thank you to all of you for what you do for the people of this great State. You've heard me say it before – public service is a gift. It's a place of work where you can walk into your office every day and make somebody's life better, so I really am appreciative of these eight years and as I said, the opportunity to work with all of you.

17. Adjournment (For possible action)

Governor: So, Madam Secretary, is there a motion to adjourn?

Secretary of State: There is, Governor; though with reluctance because I think if I leave it open, then you have to stay?

Governor: Well, there's a little thing called the Constitution, so . . .

Secretary of State: With that, I'll move for an adjournment.

Governor: I'll second the motion. All in favor, say aye. That motion passes. Thank you everybody, this meeting is adjourned.