

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>

Date and Time: October 12, 2021, 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
Secretary of State Barbara Cegavske – on the phone
Attorney General Aaron Ford – on the phone

STAFF PRESENT:

Susan Brown, Clerk of the Board
Rosalie Bordelove, Board Counsel
Dale Ann Luzzi, Board Secretary

OTHERS PRESENT:

Elisa Cafferata, Director, Department of Employment, Training and Rehabilitation
Tom Clark, Member of the Public

MEETING MINUTES

1. Call to Order / Roll Call

Governor: I would like to call to order today's meeting for October 12, 2021 of the State of Nevada, Board of Examiners. If I could ask the Clerk to take the roll, please.

Board Secretary: Governor Sisolak.

Governor: Here.

Board Secretary: Attorney General Ford.

Attorney General: Here.

Board Secretary: Secretary of State Cegavske.

Secretary of State: Here.

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

- 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: Moving on item number 2, *Public Comment*. This is the first time set aside for public comment. Anyone wishing to address the Board on any item on today's agenda please step forward, identify yourself for the record and comments will be limited to three minutes. I will start in Carson City.

Public Comment: Tom Clark (Attachment A)

Governor: Do I have any public comment in Las Vegas?

Clerk of the Board: We do not.

Governor: Do we have anyone on the phone or any written public comment? Seeing none. I'll close the public comment.

- 3. Approval of the September 14, 2021 Meeting Minutes (For possible action)**

Governor: I'll move on to item number 3, *Approval of the September 14, 2021 Meeting Minutes*. Do I have a motion in that regard?

Attorney General: Move approval.

Governor: We have a motion on the floor from General Ford. Is there any discussion? Hearing and seeing none. All in favor, signify by saying aye. The motion passes.

- 4. 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 Administration – Fleet Services	28	\$870,001
Department of Conservation & Natural Resources – Division of Environmental Protection	1	\$23,311
Department of Conservation & Natural Resources – Forestry Division	5	\$501,264
Department of Wildlife	8	\$319,974
Total	42	\$1,714,550

Governor: Item number 4, *State Vehicle Purchases*.

Clerk of the Board: Good morning. There are 42 requests for vehicles under this agenda item.

The first request is from the Department of Administration Fleet Services Division to purchase 28 vehicles in an amount up to \$870,001 which will be added to their fleet. The funding is included in the legislatively approved budget.

The second request is from the Department of Conservation and Natural Resources, Division of Environmental Protection to purchase one new vehicle for an amount up to \$23,311. The vehicle that is being replaced has met the age and/or mileage requirements in the State Administrative Manual (SAM) and funding is included in the legislatively approved budget.

The next request is also from the Department of Conservation and Natural Resources. This is from the Division of Forestry to purchase five vehicles for an amount up to \$501,264. There are two vehicles that are being replaced and have met the age and/or mileage requirements in SAM, while three are new vehicles that are additions to the fleet. Funds are included in the agency budget.

The final request is from the Department of Wildlife to purchase eight replacement vehicles for \$319,550. The vehicles being replaced have met age and/or mileage requirements in SAM and funding is included in the budget.

Are there any questions on any of these items?

Governor: Do we have any questions on state vehicle purchases? Do I have a motion?

Attorney General: Move approval.

Governor: We have a motion from General Ford. Is there any discussion? Hearing and seeing none. All in favor, signify by saying aye. The motion passes.

5. Request for Approval of Payment Reimbursement (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 Employment, Training and Rehabilitation –
Employment Security Special Fund**

The Department of Employment, Training and Rehabilitation is requesting approval for the payment of \$1,550,075.20 to Bank of America. The Department is contractually obligated to pay this amount due to losses incurred by Bank of America caused by unemployment insurance fraud.

Governor: Item number 5, *Request for Approval of Payment Reimbursement*.

Clerk of the Board: 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. The Department of Employment, Training and Rehabilitation is requesting approval for the payment of \$1,550,075.20 to Bank of America. The department is contractually obligated to pay this amount due to losses incurred by Bank of America through a letter agreement. This is on the agenda here rather than a contract because it's a letter of agreement, rather than a contract. Are there any questions on this item?

Governor: Do we have any questions at item number 5?

Secretary of State: Yes, Governor. This is Barbara Cegavske. I do.

Governor: Go ahead, Secretary.

Secretary of State: Thank you so much, Governor. Again, I just want to thank your staff for responding to us in a timely manner and working with us on these questions for the Board of Examiners meeting today. My question is, can you just clarify exactly what it is we're to be paying?

Clerk of the Board: Director Cafferata is on the phone if she would like to answer that.

Elisa Cafferata: Thank you for the question, Secretary Cegavske. The description doesn't one hundred percent reflect what this is which is, essentially, Bank of America let us know at the end of last year that they were going to be getting out of the debit card business and they wanted to wrap up in December of 2020 but we needed more time to bring on a new vendor for our debit cards. So, we signed this letter of agreement in

which Bank of America would agree to continue to cover our debit card services for six months. Had we not had that letter of agreement, we would not have been able to issue unemployment benefits while we brought on a new vendor which, we thought, was not a solution to our problems.

Within the agreement, we agreed to cover the cost of doing business for Bank of America. This is required under banking regulations that in certain situations, they need to offer a line of credit to someone who has a debit card and in a very few situations, that ended up in a loss to Bank of America. Essentially, it's the cost of administering the program. We're paying for the losses that they had in following the banking regulations.

To put this in context, just to finish up sort of the understanding of what's going on here, we have worked with Bank of America over the last year and a half and have been able to recover, and they have returned, over \$150 million in payments that were either made to fraudulent or imposter claims. There is money coming back to the State and will go back to the trust fund or the federal program, wherever the benefit was initially paid. This is just a very small, in this very unusual year of unemployment, this is a very small cost of doing business.

Secretary of State: Thank you very much for that explanation. You did a great job and I am so sorry for everything that you're having to go through in this endeavor to try to get the unemployment done and to find out who is fraudulent and who isn't. Thank you very much for everything you're doing. Thank you, Governor.

Governor: Thank you, Secretary Cegavske; and I echo that, Director Cafferata. I know you're going through a lot at Department of Employment, Training & Rehabilitation. The whole agency has gone through a lot during this time and trying to fight fraud and at the same time, pay legitimate claimants as quick as we possibly can and I know it's a difficult task. I do thank you for all the effort you're putting forward.

Do we have a motion on item number 5?

Attorney General: I move approval.

Governor: General Ford moves approval on item number 5. Is there any discussion? Hearing and seeing none. All in favor, signify by saying aye. Is anyone opposed? The motion passes.

6. Request for Approval to Pay a Tort Claim Pursuant to NRS. 41.036 (For possible action)

Pursuant to NRS 41.036, the Office of the Attorney General submits the following Tort Claim requests for approval:

TORT CLAIM REQUESTS	
A.	Claimant: Lacey Bradford Claim No: TC19844 Settlement Amount: \$100,000 Date of Loss: November 27, 2015
	Claimant: Amber Hill Claim No: TC19845 Settlement Amount: \$100,000 Date of Loss: November 27, 2015
	Claimant: Willis David Simpson Claim No: TC19846 Settlement Amount: \$100,000 Date of Loss: November 27, 2015
	Claimant: Holly Ann Ducoing Claim No: TC19847 Settlement Amount: \$100,000 Date of Loss: November 27, 2015
	Total \$400,000
	B.
Claimant: Raymond Elgin Claim No: TC19432 Settlement Amount: \$100,000 Date of Loss: April 2, 2020	
Claimant: Estate of Caryl Elgin Claim No: TC19433 Settlement Amount: \$100,000 Date of Loss: April 2, 2020	
Claimant: Raymond Elgin-wrongful death of Caryl Elgin Claim No: TC19846 Settlement Amount: \$100,000 Date of Loss: April 2, 2020	
Claimant: Susan Beatty-wrongful death of Caryl Elgin Claim No: TC198543 Settlement Amount: \$100,000 Date of Loss: April 2, 2020	
Claimant: Rowan Elgin Claim No: TC19542 Settlement Amount: \$100,000 Date of Loss: April 2, 2020	
Total \$500,000	

Governor: Item number 6, *Request for Approval to Pay a Tort Claim Pursuant to NRS 41.036.* We will take 6-A and 6-B separately.

Clerk of the Board: There are two agreements under this item. The first represents a \$400,000 claim for which the Attorney General recommends payment from the claims fund. A settlement agreement has been entered in the amount of \$100,000 per claimant listed on the first item.

Governor: Do I have a motion on item number 6-A?

Attorney General: Move approval.

Secretary of State: I just wanted to make sure I understand everything. Thank you very much for the itemized conversation that I had with your staff so that I do understand this and do know exactly what's going on here. So, thank you very much and thank you, Attorney General, for the work that you all did on this and I'll vote for it. Thank you, Governor.

Governor: We have a motion for approval of 6-A. Is there any discussion? Hearing none. All in favor, signify by saying aye. Are any opposed? The motion passes.

Clerk of the Board: Item 2, the second item requested, 6-B, represents a \$500,000 claim for which the Attorney General recommends payment from the tort claims fund. A settlement agreement has been entered in the amount of \$100,000 per claimant listed for this claim as well.

Governor: Do we have any questions on item number 6-B? Do I have a motion?

Attorney General: Move approval.

Governor: We have a motion for approval. Is there any discussion? Hearing and seeing none. All in favor, signify by saying aye. The motion passes.

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

Office of the Military – Division of Emergency Management

Pursuant to NRS 353.268, the Division requests the Board's recommendation to the Interim Finance Committee for \$303,601 from the Interim Finance Contingency Account to cover costs associated with providing supplemental security and enhance healthcare system availability to Clark County during the upcoming New Year's Eve celebrations/activities.

Governor: Item number 7, *Request for a Recommendation of Approval to the Interim Finance Committee for an Allocation Amount from the Contingency Account.*

Clerk of the Board: Item number 7, pursuant to NRS 353.268, the Division of Emergency Management is requesting the Board's recommendation to the interim finance committee of an allocation of \$303,601 from the Interim Finance Committee Contingency Account to cover costs associated with providing supplemental security and enhanced health care system available to Clark County during the upcoming New Year's Eve celebration activities. Representatives from the agency are here for any questions on this item.

Governor: Do we have any questions on item number 7? Do we have a motion on item number 7?

Attorney General: Move approval.

Governor: We have a motion for approval. Is there any discussion? Hearing and seeing none. All in favor, signify by saying aye. The motion passes. Thank you very much.

8. Request to Designate Positions in State Government as Critical Labor Shortages (For possible action)

Department of Public Safety – Director’s Office

Pursuant to NRS 286.523, the Director of the Department of Public Safety (DPS) requests that the Board of Examiners designate DPS Officer I and DPS Officer II positions as “critical labor shortages” and grant a Public Employees Retirement System exemption for the reemployment of qualifying retired employees to fill positions for which a critical labor shortage has been appropriately designated.

Governor: Item number 8, Request to Designate Positions in State Government as Critical Labor Shortages.

Clerk of the Board: Item number 8, pursuant to NRS 286.523, is the policy of the state to ensure that the re-employment of retired public employees is limited to positions of extreme need. An employer who desires to employ a retired public employee to fill a position for which there is a critical labor shortage must make the determination of re-employment based upon the appropriate and necessary delivery of services to the public in an open meeting. The Board of Examiners has the authority to designate positions in state government for which there are critical labor shortages. This request is from the Department of Public Safety, asking that the Board designate DPS Officer 1 and DPS Officer 2 positions as ‘critical labor shortages’ and grant a Public Employees Retirement System exemption for the re-employment of qualifying retired employees to fill positions for which a critical labor shortage has been appropriately designated. In the supporting documents on page 9, I would just note that the DPS Officer 1 position should be 14 and the DPS Officer 2 position should be at 137 so, this would be a total of 151 positions included in this request. The department is available for questions on this item.

Governor: I know there's a critical labor shortage here, without a doubt. Do we have any questions on item number 8?

Secretary of State: No, Governor, but I wanted to make you aware that we have critical labor shortages all over in the Secretary of States' office. I am down 15 employees in commercial recording, so I do appreciate this coming forward and we hope that this Board would look at other agencies as well. Thank you.

Governor: Thank you very much. Is there any further discussion? Do I have a motion on item number 8?

Attorney General: Move approval.

Governor: We have a motion from General Ford. Is there any discussion? Hearing and seeing none. All in favor, signify by saying aye. The motion passes.

9. Approval of Proposed Leases (For possible action)

Governor: Item number 9, *Approval of Proposed Leases*.

Clerk of the Board: There are two leases under agenda item 9 today for approval by the Board. Are there any questions on any of these items?

Governor: No. Again, thank you for the briefing that you gave me on these items. Do we have any questions on item number 9? Do we have a motion on item number 9?

Attorney General: Move approval.

Governor: We have a motion for approval. Is there any discussion? Hearing and seeing none. All in favor, signify by saying aye. The motion passes.

10. Approval of Proposed Contracts (For possible action)

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

Clerk of the Board: There are 31 contracts under item 10 today for approval by the Board this morning. I would just note that at the September meeting, the threshold for these action items was increased from \$50,000 to \$100,000. Are there any questions on any of these items?

Governor: Do we have any questions on any of the proposed contracts on item number 10?

Attorney General: Move approval.

Governor: We have a motion for approval on Item 10. Is there any discussion? Hearing and seeing none. All in favor, signify by saying aye. The motion passes.

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

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

Clerk of the Board: There are 10 master service agreements under agenda item 11 for approval by the Board. Are there any questions on these items?

Governor: You answered all my questions previously. Do we have any questions on item number 11?

Attorney General: Move approval.

Governor: We have a motion for approval. Is there any discussion? Hearing and seeing none. All in favor, signify by saying aye. The motion passes.

12. 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 \$100,000. Per direction from the September 14, 2021 meeting of the Board of Examiners, the Board wished to receive an informational item listing all approvals applicable to the new threshold (\$10,000 - \$99,999). Attached is a list of all applicable approvals for contracts and amendments approved from August 24, 2021 through September 20, 2021.

Governor: Item number 12, *Clerk of the Board Contracts*. This is an information item.

Clerk of the Board: There are 53 contracts that were approved by the Clerk of the Board that were over \$10,000 and under \$100,000 between August 24, 2021 and September 20, 2021. Are there any questions on any of these items?

Governor: No. Again, Director Brown, thank you so much for answering all my questions during my briefing. I know my colleagues and I appreciate the time you put into answering all of our questions so that these meetings run more smoothly. Do we have any questions on item number 12? That's an information item.

13. 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: Moving on to item number 13, *Public Comment*. This is the second time set aside for public comment. 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.

Do we have anybody here in Carson City? I'm looking around, nobody is getting up.

Do we have anybody in Las Vegas?

Rosalie Bordelove: We do not.

Governor: Do we have anybody on the phone or any written public comment?

Clerk of the Board: I have no written comments. We do not.

14. Adjournment

Governor: We are adjourned. Thank you all very much.

Attachment A

Tom Clark: Thank you, Governor, members of the Board. My name is Tom Clark. I'm here on behalf of the Nevada Association of Health Plans. We are the association of private health insurers as well as MCOS here in the great state. I'm here to testify to discuss item 17, which is under item 10 on the agenda. The contract listed is for management support and technical assistance in regard to product design for the public option, Senate Bill 420, from the last session. We appreciate that the language in the contract description specifies stakeholder engagement and I'm here to offer my client's expertise as critical players in any potential public option in Nevada. Senate Bill 420 requires the state to contract with an independent actuary to study the impact a potential public option might have on Nevada's healthcare providers and by extension, their patients. This expressly includes the impact on public employees and injured workers. While Senate Bill 420 exempts this contract from the normal state purchasing rules, it's critical the selection process be transparent and result in a complete understanding of the impacts on Nevadans seeking affordable insurance options here in the state. We look forward to continuing to work with the state to develop the scope of work and ensure the most qualified consultant is selected to perform the actuarial study. Thank you, Governor.

Governor: Thank you. You are speaking to item number 10?

Tom Clark: Contract 17 under item 10.

Governor: Okay. Thank you.

Tom Clark: Thank you.