

Monday, May 19, 2014

The regular meeting of the Humboldt County Board of Commissioners was called to order on Monday, May 19, 2014, at 9:45 a.m. in the regular place of meeting at the Courthouse, Winnemucca, Nevada. Those present were Chairman Dan Cassinelli, Commissioners Garley Amos Jr., Mike Bell, Jim French and Marlene Brissenden, District Attorney Michael Macdonald, Administrator Bill Deist (left meeting at 10:29 a.m.), Administrative Assistant Brenda Willey (joined meeting at 10:29 a.m.) and Clerk of the Board Tami Rae Spero.

**PUBLIC COMMENTS:** Chairman Cassinelli asked for public comments. Lewis Trout appeared before the Board and commented on a vacancy on the Hospital Board for which appointment has not been sought and requested that the Commission hold a hearing at their next regular meeting to receive written evidence that there is a vacancy and following that hearing that a member be appointed at the first meeting following the Primary Election; he commented on the possibility of a candidate in the upcoming election receiving more than 50% of the vote and going on unopposed to the General Election. Clerk Spero noted that the 50% rule applies only to partisan offices and that the Hospital Board Trustee seat is nonpartisan. Chairman Cassinelli asked about the other part of the request. District Attorney Macdonald stated that it really is the Board's pleasure; he noted that the last time the issue was discussed the Commission directed the District Attorney's Office to begin the process to place an advisory ballot question on the General Election ballot. He discussed the status of that process and commented on the appointment of a seat that is on the ballot. Chairman Cassinelli noted that the Hospital Board is working as they have quorum. Commissioner French noted prior discussion on this same issue and that it has been clear that the Hospital Board does not want the Commission to appoint, that they want to wait for the election. Chairman Cassinelli and Commissioner Bell concurred. Chairman Cassinelli asked for further public comment.

Dana Toth, Humboldt Museum Director appeared before the Commission and issued an invitation for the Commission to tour the museum. The Board agreed to place the item on a future agenda. Chairman Cassinelli asked for public comment.

Tom Lammel, a member of the Nevada Wildlife Record Book Committee, appeared before the Commission and discussed placing a wildlife diorama in the Humboldt County Courthouse. Chairman Cassinelli stated that the item would need to be placed on an agenda and that input would need to be obtained from the Buildings & Grounds Department. Chairman Cassinelli asked for further public comment. None offered.

5/19/2014

Page 1 of 12

**DISCUSSION AND ACTION ON CORRECTION/APPROVAL OF MINUTES: APRIL 21, 2014 AND MAY 5, 2014 REGULAR MEETING MINUTES AND MARCH 24, 2014 BUDGET HEARING MINUTES:** No minutes presented for discussion/action.

**ADMINISTRATIVE REPORT:**

**CONSENT AGENDA:** No items presented under the consent agenda for the Board's review/action.

**SOLID WASTE MATTERS:** Administrator Deist stated that he had nothing on this item.

**PUBLIC LANDS PLANNING MATTERS & FORMULATION OF COUNTY POSITION ON BLM, FOREST SERVICE AND THE FEDERAL FISH AND WILDLIFE SERVICE PROPOSED**

**ACTIONS:** Administrator Deist stated that he had nothing on this item.

**MISCELLANEOUS REPORTS AND CORRESPONDENCE:**

**OTHER INFORMATION AND UPCOMING MEETINGS:** Administrator Deist discussed his schedule in the office.

**REPORTS FROM COMMISSIONERS REGARDING OTHER BOARDS AND COMMITTEES**

**THEY SERVE ON:** No reports provided.

**CLAIMS FOR EXPENDITURES OF COUNTY FUNDS:** The following motion was made by Commissioner Bell and passed unanimously:

*To approve the claims for expenditures of County funds.*

**COUNTY CONSULTATION WITH NEVADA DEPARTMENT OF TRANSPORTATION REGARDING HUMBOLDT COUNTY'S 2015-2024 WORK PROGRAM AND POSSIBLE COMMISSION ACCEPTANCE OF THE WORK PROGRAM:**

A copy of the 2015-2024 Work Program was provided to the Board for review. Bill Hoffman, Deputy Director of the Nevada Department of Transportation and Kevin Lee, District 3 Engineer appeared before the Board. Director Hoffman introduced the NDOT staff in attendance. He commenced to review the 2015-2024 Work Program including funding, planning, projects and safety projects. Commissioner French asked about the impact of the depleted Highway Trust Fund on the County; Director Hoffman responded. Commissioner Brissenden asked about the chance of the County received a portion of the diesel fuel tax; Director Hoffman responded. Administrator Deist commented on the issues with the County getting diesel fuel taxes. Commissioner Brissenden asked about grant funding for the planned boys & girls club; a member of the planning staff indicated that it would not be possible. Director Hoffman continued reviewing the work program projects including projects which may be affected by federal cuts. Discussion occurred regarding the Eden Valley Bridge Project. After discussion the following motion was made by

5/19/2014

Page 2 of 12

Commissioner Bell and passed unanimously:

*To accept the Nevada Department of Transportation's 2015-2024 Work Program as presented.*

**PUBLIC HEARING REGARDING A NUISANCE COMPLAINT ON PROPERTY OWNED BY WADE MUSSI LOCATED AT 3105 VALLEY WAY, WINNEMUCCA, NEVADA, ASSESSOR'S PARCEL #3638-31-229-051(010-346-03):**

Provided to the Board for review was a copy of the nuisance complaint signed by Jose Mendoza plus additional residents of the area including photos, inspection reports from Building & Safety and the Sheriff's Office and a copy of the Notice of Public Hearing. Complainant Jose Mendoza was not present. Property owner Wade Mussi appeared before the Board. County Clerk Tami Rae Spero noted for the record that she had signed the complaint as a resident on the street. Chairman Cassinelli read the title of the item set to public hearing. Mr. Mussi stated that he has been working on the clean up, that he does have a twenty year accumulation and he realizes it has got a bit out of hand. Mr. Mussi asked about the complainants, he was referred to the displayed copy of the complaint. Clerk Spero stated that this matter had been set to public hearing at the last Commission meeting and referred the Board to the reports provided by the Building Superintendent and the Sheriff's Office, she noted that the primary issue appeared to be the number of vehicles on the property. Commissioner Brissenden noted that she had viewed the site and asked about contacting a local recycling service regarding the vehicles/items on site. Mr. Mussi stated that he had hauled some items to that location. Commissioner French asked about the expected time frame for the cleanup noting that he had viewed the site. Mr. Mussi stated that he is working on it and explained what his plan was for clean up. Commissioner Brissenden suggested ninety days. The following motion was made by Commissioner Amos:

*To declare this property a nuisance and the property owner has ninety days to get it cleaned up and meet the proper conditions.*

Clerk Spero asked for clarification on the motion as to when the ninety days begins. The Board agreed that the ninety days would begin with the adoption of the resolution declaring the nuisance at the next regularly scheduled Commission meeting on June 2<sup>nd</sup>. Commissioner French asked if Mr. Mussi understood the time frame noting that he felt the time frame was reasonable. Chairman Cassinelli asked for public comment. None offered. Chairman Cassinelli noted that the primary complainant was not in attendance. Clerk Spero stated that she had sent them notice and she did not know why they had not attended the meeting but suggested that perhaps as she was in attendance they did not believe they needed

5/19/2014

Page 3 of 12

to attend. Chairman Cassinelli concurred. Clerk Spero asked that the Board identify what exactly the property owner would need to do to abate the nuisance. Commissioner French asked how many unregistered vehicles were on the property. Mr. Mussi stated that he had two unregistered he believed plus the tractors noting that the unregistered vehicles were primarily along the fence; he stated that he plans to get rid of those first as those are the main obstruction. Commissioner French asked how many vehicles are on the property. Mr. Mussi stated like six. Commissioner French asked about the remainder of the debris. Clerk Spero noted that the Board would probably have the authority to request proof of registration on the vehicles that remain on the property. The Board agreed that there were other problems besides the vehicles. Clerk Spero noted that shielding, which is allowed under the Code, may not be possible on this lot due to its size, that would be a question for the Building Department. Mr. Mussi stated that he could make progress within the ninety days but that he could not say that it would be 100%. Clerk Spero noted that in the past, if a property owner can show that they are making significant progress, the Board has extended the time for abatement. The Board agreed that they would give ninety days and then re-evaluate the progress and based upon that progress they would consider an extension. Mr. Mussi asked if there was a limit on vehicles. District Attorney Macdonald reviewed the Code requirements. Mr. Mussi noted that the vehicles and tractors are not salvage vehicles, that they are good. Discussion occurred regarding the tractors and the issue with the vehicles along the front of the fence line. Chairman Cassinelli called Commissioner Amos' motion to a vote; said motion passed.

**NET PROCEEDS OF MINERALS REFUND TO ATNA RESOURCES FOR THE PINSON MINE:**

A copy of a letter from the Nevada Department of Taxation regarding the need for a refund of excess payment of net proceeds of minerals for 2013 for Atna Resources, Inc. Pinson Mine was provided to the Board for review (see attached). Treasurer Gina Rackley appeared before the Board and explained the refund requirement in the amount of \$71,446.52 including the portion absorbed by the School District.

**INTERLOCAL CONTRACT BETWEEN NEVADA DEPARTMENT OF ADMINISTRATION, ENTERPRISE INFORMATION TECHNOLOGY SERVICES (EITS) AND THE HUMBOLDT COUNTY COMMUNICATIONS DEPARTMENT:**

A copy of the proposed Intrastate Interlocal Contract between the State of Nevada Department of Administration Enterprise Information Technology Services and the Humboldt County Communication Department was provided to the Board for review. Ric Grantham of the Communications Department appeared before the Board and explained that the contract being presented is not for the Radio or Communications Department, it is for the TV District, as the contract covers the housing for all the equipment for the microwave and the TV District. It was noted

that the agreement is what has been signed in the past. Commissioner French asked if the language should be cleared up as to how the rack is being defined. Mr. Grantham stated that he had discussed the matter with the person at the State and the response had been that this is the way that it has always been done. District Attorney Macdonald noted the language being discussed is in the cover letter but the agreement just states "rack space rental" and that he does not remember the agreement being specific as to what type of rack space, it just says rack space. Commissioner French stated his concerns about not defining the language in the agreement and suggested that the agreement could be sent back to be amended. District Attorney Macdonald responded that the language "rack space rental" does leave the agreement open to the use and the County is renting the space and determining what that space is used for. Commissioner French stated he was happy with that. District Attorney Macdonald noted that the cover letter could state specifically what the space was being used for. The following motion was made by Commissioner Brissenden and passed unanimously.

*To approve the Interlocal Contract between Nevada Department of Administration, Enterprise Information Technology Services (EITS) and the Humboldt County Communications Department as presented.*

**ROAD MATTERS:** Road Superintendent Ben Garrett appeared before the Board.

**JOHN FALEN REQUEST TO DIVERT WILLOW CREEK ON HIS PROPERTY, WHICH WOULD CHANGE THE CROSSING POINT ON NORTH VALLEY ROAD. ROAD DEPARTMENT REQUESTS APPROVAL TO INSTALL NEW CULVERTS AT \$4,000.00 FOR MATERIAL PLUS LABOR AND EQUIPMENT:** John Falen appeared before the Board.

Superintendent Garrett explained the request noting that he had been contacted by Don Brumley who had concerns about the request but would be unable to attend this meeting to voice those concerns. Chairman Cassinelli stated that he had spoken to Mr. Brumley and that everything was a go as he had spoken to Mr. Falen and they had worked it out. Chairman Cassinelli asked if this would be similar to what was done on Chimney Dam Road for the Stewarts. Superintendent Garrett stated yes and no and explained what the similarities are. Commissioner Brissenden asked if anyone's water rights would be interfered with. Superintendent Garrett stated that was Mr. Brumley's concern but if that has been addressed than no. Discussion occurred regarding who would pay for the work. Mr. Falen explained the request including the location and his discussion with Mr. Brumley. Commissioner French asked about expending County funds for this project, questioning whether it benefits only one person. Discussion occurred regarding the difference between this request and the Chimney Dam Road issue and other incidents when the County

may or may not have paid for the work done. Chairman Cassinelli stated that he did not see this as a major problem or setting a big precedence by proceeding. Discussion occurred regarding the cost as quoted which could go higher as the quote was based on the prior year's costs and that this would protect the County's investment on the road in the event of a high water year and therefore benefit the public and not just one property owner. After discussion the following motion was made by Commissioner Amos and passed unanimously:

*To approve the request to divert Willow Creek on Mr. Falen's property which would change the crossing point on North Valley Road and to give the Road Department approval to install new culverts at an estimated \$4,000.00 for material plus labor and equipment.*

**REPORT OF PENDING ROAD DEPARTMENT PROJECTS:** Superintendent Garrett updated the Board as to the mag project including the preparation work, the locations completed and what was planned for Jungo Road, ongoing road covering and an upcoming field trip to look at Soldier Meadows Road with the BLM and the Summit Lake Tribe.

**MISCELLANEOUS ROAD RELATED MATTERS:** Chairman Cassinelli asked whether the Paradise Ranchos well was being used for road repair and whether a lot of water was being taken from it. Superintendent Garrett stated that less is being used now due to the micro surfacing. Chairman Cassinelli asked if the well is being used for work on Poleline and Grayson Roads. Superintendent Garrett stated yes as the Grayson well was down; he discussed the status of the well and the time frame for repair. Chairman Cassinelli asked that the repairs be expedited due to concerns in the area that too much water is being used.

**REQUEST FOR ASSISTANCE AND LETTER OF SUPPORT TO RESTORE FULL FUNDING FOR LOCAL GRAZING BOARD AS REQUESTED BY GRAZING BOARD N2:** Provided to the Board for review was a letter from the Nevada State Grazing Board N2 Division signed by Secretary-Treasurer Don Jones explaining the request for the County Commission's assistance and support in contracting the Nevada Congressional Delegation to correct an error related to reduced funding for the Grazing Board due to the sequester provision passed in 2011 by Congress (see attached). Don Jones appeared before the Board and spoke in support of the request; he explained the background of the Grazing Board and what the funding is used for. Commissioner French stated his support for the request and discussed the importance of restoring the funding. After discussion the following motion was made by Commissioner French and passed unanimously:

5/19/2014

Page 6 of 12

*To write a letter to the Congressional delegates requesting that the calculation of sequester funds should not include non appropriated funds and also to include language having to do with other stakeholders and the dependence on those funds for other things.*

Commissioner French stated that he would also take this matter to NACO.

**REVIEW AND POSSIBLE CHANGES TO TENTATIVE BUDGET PRIOR TO ADOPTION OF**

**FINAL BUDGET:** Provided to the Board for review was a memo from the County Administrator discussing the decline in CTX revenues and his continued recommendation that neither the Buildings & Grounds custodial position nor the new legal secretary position in the District Attorney's Office be filled at this time; additionally he discussed the proposal for the First Watch program suggesting that, if savings can be found such as with the Dispatch Medical Director contract, the program be considered. Also included was a memo from the Comptroller noting two changes to the budget related to the Sixth Judicial District and Capital Improvement (see attached). Comptroller Sondra Schmidt appeared before the Board and explained the changes to the proposed budget and discussed her concerns related to revenues and the use of ending fund balance for the General Fund. Commissioner Bell stated that the Hospital is willing to provide the medical direction in exchange for the County proceeding with the First Watch program; he discussed the importance of the program and the data that it provides and spoke in support of the trade with the Hospital; he also noted the possibility of the Hospital providing Emergency Manager services which could be discussed in the future. Commissioner Brissenden stated that she did not support doing any of the items indicated except for the recruitment of a County Administrator so everything including the water plan and the First Watch discussion should be put on hold until the recruitment is accomplished. Commissioner Amos stated that there should be no hiring or new programs at this time; the necessities need to be taken care of. Discussion occurred between Commissioner Bell and Commissioner Amos about the First Watch proposal. Commissioner Amos commented on the need to look at the amount placed in the Commissioners Contribution line item to prevent it going over budget. Comptroller Schmidt suggested that the annual contributions be reviewed and the amounts set aside for those, with any new requests if the funds are available it can be approved, if not then it is denied. Chairman Cassinelli noted that he and Commissioner French had discussed with Administrator Deist what his plans for retirement were and one of the items considered was bringing in someone while the Administrator was still available to work with the person so there would be some expense involved; he stated that needed to be in the budget. Discussion occurred regarding the cost for that proposal. Commissioner French recommended that a Deputy County Manager be brought on and since that will take a while, the

5/19/2014

Page 7 of 12

recruitment needs to begin; he stated that he had discussed the matter with Administrator Deist who had graciously agreed to work a transition time with the Commission's candidate which would relieve some of the work load on the Administrator and also involve the Administrator's knowledge and institutional history in assisting the new person in a smooth transition. Commissioner French suggested that \$88,000.00 to \$90,000.00 be placed in the budget for the period of overlap; he stated that the Commission needs to get the ball rolling and that the Administrator has seen the need too; he commented on how the position would be handled as far as assuming the Administrator's position upon Administrator Deist's retirement. Commissioner French suggested that the \$50,000.00 identified in the budget for the Water Management Plan could be used for this item and the plan could be placed on the back burner for now. Commissioner Brissenden agreed and suggested that the First Watch could wait until the Communications Department gets organized. Commissioner Bell disagreed stating that the sooner the better because of the need for the data. Commissioner Brissenden suggested that the Hospital could do the program. Commissioner Bell stated that the program would not be just for the Hospital though they would pay for their module. Commissioner French suggested that he would be more comfortable if when a Communications Director was hired, that person were to evaluate the situation and make the determination as to whether the program was needed; he noted concern that the person hired for that position might not value this program. Commissioner Bell disagreed and spoke in support of the First Watch program and the need to pursue it at this time. Ric Grantham of the Communications Department appeared before the Board and asked about the stats provided by the proposed program as compared to the current CAD system. Commissioner Bell noted that the proposed program would be real time and explained the information that would be produced. Discussion occurred regarding the difference between the CAD system and the proposed system and what the proposed system offers. Administrative Assistant Willey noted the need to involve the IT Department in this discussion. Commissioner Bell explained that this discussion is only for including the funding in the budget, all of the details would need to be worked out later. Chairman Cassinelli observed that if the funding for the water plan and the medical director are removed that would give \$110,000.00 to use for getting the Administrator thing done; he stated his understanding of the importance of the program being discussed but commented on the need to deal with the administrator issue. Jeff Johnson appeared before the Board as Director of the Information Technology Department and stated that he didn't know anything about the program but noted his concern that the IT Department would have the opportunity to make sure that it is going to function with everything else that they have. Chairman Cassinelli suggested that once the administrator issue is

5/19/2014

Page 8 of 12



handled, if funds are left, they could go to the program. Commissioner Brissenden stated that the program could wait until the PSAP is completed noting that the water plan is being set aside as well and that is also very important. Sheriff Kilgore commented on deciding the priorities for the community, stating that everyone is aware of technology and what it can do to save lives and no one is against that, 911s will still come in and emergencies will be handled, people are still going to be dispatched out for life saving measures; he stated his agreement that any technology that enhances that is good and needs to be looked at. Commissioner Amos commented on the need to wait due to financial concerns at this time. Comptroller Schmidt commented on the use of budget revisions rather than guess work as to amounts needed. The Board concurred. The following motion was made by Commissioner French and passed unanimously:

*To take the \$50,000.00 for the water plan and move it into the line item recruitment and approve the budget as submitted and to work with the Hospital on the medical director position.*

*Chairman Cassinelli recessed the meeting at 12:07 p.m. to reconvene at 1:30 p.m.*

**PUBLIC HEARING ON FY 2014-2015 BUDGETS FOR HUMBOLDT COUNTY AND SPECIAL**

**DISTRICTS:** Chairman Cassinelli read the title of the item set for public hearing. Chairman Cassinelli asked for public comment, none offered.

**ADOPTION OF FY 2014-2015 BUDGETS FOR HUMBOLDT COUNTY, HUMBOLDT RURAL FIRE DISTRICT, WINNEMUCCA RURAL FIRE DISTRICT AND QUINN RIVER TV**

**DISTRICT:** Comptroller Schmidt offered a correction to the budgets being considered noting that it should not be Winnemucca Rural Fire District but should be Denio TV District. The Board concurred. The following motion was made by Commissioner Brissenden and passed unanimously:

*To adopt FY 2014-2015 budgets for Humboldt County, Humboldt Rural Fire District, Quinn River TV District and Denio TV District and taking off the Winnemucca Rural Fire District as an amendment.*

**ADOPTION OF RESOLUTION LEVYING FISCAL YEAR 2014-2015 TAX RATES:**

A copy of the proposed resolution was provided to the Board for review. Comptroller Schmidt stated that the rates were the same as in the prior year. The following motion was made by Commissioner Brissenden and passed unanimously:

*To adopt the resolution levying Fiscal Year 2014-2015 Tax Rates.*

*(Resolution No. 05-19-14)*

**PUBLIC COMMENTS:** Chairman Cassinelli asked for public comments; none offered.

*Chairman Cassinelli recessed the meeting to reconvene at 6:00 p.m. for item 13 on the agenda.*

The meeting reconvened at 6:00 p.m. at the regular place of meeting at the Courthouse, Winnemucca, Nevada. Those present were Chairman Dan Cassinelli, Commissioners Garley Amos Jr., Mike Bell, Jim French and Marlene Brissenden, District Attorney Michael Macdonald, Administrator Bill Deist, Administrative Assistant Brenda Willey and Clerk of the Board Tami Rae Spero.

**MIKE BAUGHMAN TO PRESENT THE PRELIMINARY DRAFT OF THE REPORT ENTITLED "CONGRESSIONAL TRANSFER OF PUBLIC LANDS TO THE STATE OF NEVADA: A REPORT OF THE NEVADA LAND MANAGEMENT TASK FORCE TO THE LEGISLATIVE COMMITTEE ON PUBLIC LANDS":** A copy of the Preliminary Draft Report was

provided to the Board for review. Dr. Mike Baughman, President of Intertech Services Corporation appeared before the Board and provided an overview of the report. Discussion occurred regarding whether the plan was equitable between the counties, water availability issues, whether the State could better manage the lands than the Federal government, that the requirements of Federal Acts would still apply with the responsibility of enforcement falling to the State, whether the priority related to the lands would place local government at the top, the need to be cautious related to revenues based on the State's resources, the fact that not all of the checkerboard lands will sell or if they do sell it may not be for a high price and the estimate of revenues and how the estimate was determined. Chairman Cassinelli asked for public comment. Commissioner French offered that the Commission could continue to accept comments but the information must be provided at the meeting on the 30<sup>th</sup>. Dr. Baughman commented on how the document will be processed and what the task force wants in relation to the report. Lewis Trout offered comment on issues with the years selected for the report, potential issues with the sales of lands in Clark County, potential issues with the rest of the counties in participating in goal six - maximizing revenue, possible issues as to grazing fees and mining taxes and the need to look at implementing caps on the amounts charged, issues with water availability, his concerns about the creation of another bureaucracy when the real goal should be the transfer as much land to the public especially lands in the checkerboard, the fact that the mere transfer especially in this area does not guarantee significant activity nor revenues, questions about disposal of some of the WSAs, areas which may require clean up and the effect on any revenues generated and possible issues with the EPA water designations: he summed up his comments by stating that there are Trojan horses in any proposal, we are switching bureaucracies, States that require competitive bidding may end up creating the unintended consequence of creating adverse economic

5/19/2014

Page 10 of 12

effects for businesses in general and certainly for agriculture businesses that can have serious negative impacts and these need to be scrutinized and the proposal needs to be adjusted to make sure that we do not put people out of business for no good reason. Chairman Cassinelli asked for additional public comment.

Roger Johnson commented that everything he has heard has been about dollars, that he has not heard anything about resource management, that the land management goals identified in past plans such as the Taylor Grazing Act need to be met, his concerns about the costs being covered by the producers and tax payers and need to have some type of return off that investment and the need to put the money back into the land.

Commissioner French commented on the lands being subject to multiple use and the need to be able to deal with that issue and the need for whomever is in charge to deal with conflicts related to that multiple use. Chairman Cassinelli noted that when Dr. Baughman was requested by the Task Force to prepare this report it was targeted at income and what can be generated, that the Task Force knows there are other issues but they haven't got to that part yet. Commissioner Bell asked if the numbers generated built in the costs. Dr. Baughman explained the process and commented on the need to manage for sustained revenue. Chairman Cassinelli commented on prior attempts to get the Government to release Federal lands as well as the fact that conservation groups are not for this proposal and will protest it.

Mel Hummel commented on his concern regarding possible AUM fee increases, the interest expressed by Nevada Land & Resources in the checkerboard lands and the increase in the people using the public lands. Dr. Baughman clarified, in relation to comments about the costs of AUMs, that the rates indicated in the report are factored across all land sales/revenue sources and commented on the range of rates for grazing fees. Discussion occurred regarding the AUM rates, that the expectation is that they will be higher, concerns about competitive bidding without the Taylor Grazing Act or something similar to it and the issues that could create and that a higher rate might be acceptable depending on what is included for that cost. Discussion occurred regarding obtaining the comments for inclusion in the Commission's comments for the May 30<sup>th</sup> meeting. Chairman Cassinelli asked that anyone wishing to have their comments included provide them to the Administrator's Office in writing as soon as possible. Commissioner Amos asked how rules and regulations will be enforced. Commissioner French reviewed what had been discussed at the Task Force meetings regarding that issue. Dr. Baughman also commented on what discussion had occurred. Commissioner Bell commented on the number of variables that will need to be looked at noting that just because you put a for sale sign up, it does not mean the land would

sell. Commissioner French concurred and noted that this is more of a feasibility study. Discussion occurred as to the purpose of this study and what will still need to be accomplished.

**PUBLIC COMMENTS:** Chairman Cassinelli asked for public comment. None offered.

**ADJOURNMENT:** Chairman Cassinelli adjourned the meeting at 7:58 p.m.

ATTESTED: \_\_\_\_\_ *[Signature]* Clerk APPROVED: *[Signature]* Chairman

(Minutes approved by the Commission and signed by the Chairman on 08-04-2014)

UNOFFICIAL



BRIAN SANDOVAL  
Governor  
ROBERT R. BARENGO  
Chair, Nevada Tax Commission  
CHRISTOPHER G. NIELSEN  
Executive Director

STATE OF NEVADA  
DEPARTMENT OF TAXATION

Web Site: <http://tax.state.nv.us>

1550 College Parkway, Suite 115  
Carson City, Nevada 89708-7937  
Phone: (775) 684-2000 Fax: (775) 684-2020

LAS VEGAS OFFICE  
Grant Sawyer Office Building, Suite 1300  
555 E. Washington Avenue  
Las Vegas, Nevada 89101  
Phone: (702) 486-2300 Fax: (702) 486-2373

RENO OFFICE  
4800 Kietzke Lane  
Building L, Suite 236  
Reno, Nevada 89502  
Phone: (775) 687-8899  
Fax: (775) 688-1303

HENDERSON OFFICE  
2550 Paseo Verde Parkway, Suite 180  
Henderson, Nevada 89074  
Phone: (702) 486-2300  
Fax: (702) 486-3377

May 6, 2014

Humboldt County Treasurer Gina Rackley  
Humboldt County Controller

On completion of the processing of actual Net Proceeds of Minerals for 2013 production, the taxpayer Atna Resources, Inc., Pinson Mine has a credit balance of \$173,363.40 from the 2013 pre-payment. The 2013 pre-payment of \$185,013. was disbursed to pay the tax due of \$14,031.70 for 2013 production and royalty taxes, as well as the \$-0- pre-payment for 2014 anticipated production.

Rodney D. Gloss, Vice President, has requested a refund of this excess payment. Per NRS 362.130(5), refund of the overpayment must be made within 30 days of the 2013 certification, i.e. by May 20, 2014. A copy of Mr. Gloss's request is attached.

Refund Analysis for Atna Resources, Pinson Mine County  
Fiscal Year 2013-2014

County Portion of Tax Payment	\$ 76,247.56	County to Refund	\$ 71,446.52
State Debt Service	\$ 6,290.44	State to Refund	\$ 5,894.36
State General Fund	<u>\$102,475.00</u>	State to Refund	<u>\$ 96,022.52</u>
<b>TOTAL</b>	<b>\$185,013.00</b>		<b>\$173,363.40</b>

Please let me know when this money can be released for the refund to the taxpayer.

Sincerely,

Jan Kelley, Supervisor  
Centrally Assessed Properties

Encl:

**RECEIVED**

FEB 24 2014

State of Nevada  
Department of Taxation

February 14, 2014

State of Nevada  
Department of Taxation  
Attn: Jan Kelley, Supervisor  
1550 College Parkway, Suite 115  
Carson City, Nevada 89706-7937

Dear Ms. Kelley:

This letter is accompanying the net proceeds tax statement for 2013 for Atna Resources Inc. ("Atna") (the "Pinson Mine") and corresponds with the courtesy notice provided to you on November 20, 2013. Atna requests a refund of excess net proceeds taxes remitted for the 2013-year. Atna's prepayment of net proceeds tax was based on forecasted development and operations of the Pinson Mine, which, to a large degree, did not materialize. The mine was placed on a care and maintenance status in June of 2013. The Pinson mine has not been closed and has not declared obsolescence or impairment for financial reporting purposes, but there are no current plans to continue with the development of the Pinson Mine and enter into production until market conditions have improved and other conditions have been met. It seems reasonable to Atna to ask that the State not hold the pre-payment against uncertain future production and uncertain future proceeds.

A brief reconciliation of the Atna / Pinson account follows and serves as a summary of the figures shown on the net proceeds tax statement for 2013.

Prepayment for 2012	\$6,350.00
Less taxes applied to 2012	<u>(\$4,059.00)</u>
Residual rolled forward into 2013	\$2,291.00
3/5/13 Pre-payment for 2013	\$185,013.00
Taxes applied for 2013	<u>(\$14,031.68)</u>
Balance Remaining - Due Atna	\$170,981.32

Please let Atna know if and when we might expect the subject refund?

Sincerely,

Rodney D. Gloss  
Vice-President

*Copy to Jane ✓*

HUMBOLDT COUNTY, NEVADA

Pay To: State of Nevada Vendor # \_\_\_\_\_  
 Address Department of Taxation PO # \_\_\_\_\_  
 \_\_\_\_\_ Fund # See Below  
 \_\_\_\_\_ Dept Name Treasurer  
 \_\_\_\_\_ Dept # \_\_\_\_\_

Refund to Atna Resources Inc. Pinson Mine 2013 Net Proceeds				
	Fund #	Dept #	Acct #	Amount
General Fund	100	000	30150	8,958.41
3% Bullion Tax	100	000	30150	2,143.40
Senior Citizens	100	000	30151	988.17
Museum	100	000	30152	494.09
Indigent	201	000	30150	747.72
Accident Indigent	201	000	30153	494.09
Coop Extension	203	000	30150	543.49
Sixth Judicial	205	000	30150	6,212.31
China Springs	205	000	30170	210.81
Library	207	000	30150	3,129.20
Indigent Medical	211	000	30150	658.78
Indigent Medical St	211	000	30153	329.39
Wmca Events Complex	212	000	30150	1,317.56
Assessors Tech Fees	217	000	30150	1,428.93
Cap Proj	301	000	30150	246.49
Cap Proj	301	000	30150	82.91
Bldg Reserve	302	000	30150	329.39
Golconda Fire	716	000	30150	955.23
Hospital	720	000	30150	13,024.10
School Dist	730	000	30150	24,704.28
School Bond & Int	731	000	30150	4,446.77
			TOTAL:	71,446.52

I certify that the foregoing claim is correct and just; that the articles specified have been received by the proper officials of the County, the Courts and/or Special Districts, or the services stated have been performed; and that they were necessary for, have been or will be applied to County, Court or Special District purposes.

COUNTY COMMISSION APPROVAL

\_\_\_\_\_  
 Chairman  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

\_\_\_\_\_  
 Authorized Signature  
 \_\_\_\_\_  
 5/7/2014  
 Date

\_\_\_\_\_  
 For Comptroller Use Only

**Nevada State Grazing Board N2 District  
C/O Don Jones  
P.O. Box 806  
Winnemucca, NV 89446**

May 8, 2014

Humboldt County Commission  
County Court House  
Winnemucca, NV.

As you may or may not be aware the State receives 12.5% of the BLM grazing fees back from the Federal Government to be used to improve range conditions as approved by the local Grazing Board which is elected by local permittees.

This board recently received reduced funding which was apparently required by the sequester provision passed in 2011 by congress.

Since grazing fees are income and not a budgeted expenditure by Congress we do not believe these should be subject to sequester.

The N2 Grazing Board requests your assistance and support in contacting the Nevada congressional delegation to correct this error.

Thank you for your assistance.

Sincerely, For the Board



Don Jones  
Secretary - Treasurer