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RICHARD PERRY
 Administrator

Wednesday, September 25, 2019

1:30 P.M.

MINUTES

ATTENDANCE

NDOM Staff	Public
Rich Perry	Kelly Rodriguez, BLM
Mike Visher	Nigel Bain, CMR
Bryan Stockton	
Sherrie Nuckolls	

COMMENTS BY THE GENERAL PUBLIC

Pursuant to N.R.S. 241, this time is devoted to comments by the public, if any, and discussion of those comments. No action may be taken upon a matter raised under this item on the agenda until the matter itself has been specifically included on a successive agenda and identified as an item for possible action. All public comments will be limited to 5 minutes for each person.

Rich Perry: Opened the workshop at 1:30 P.M. He thanked everyone for coming and mentioned that this is an informal workshop to gather public comment on the NAC 519A changes that we are proposing. Rich asked for public comment – none.

Mike Visher: Went through the background, history and proposed changes for the reclamation performance bond pool regulations with a PowerPoint presentation. He went through the account summary 2000-2018 and status report as of 8/31/19. In November 2018, CMR approved the Division to move forward with changing regulations to reflect a decrease in annual premium rate from 3% to 2% and refund 75% of premium payments for plan-level participants. Mike explained the premium rate reduction impact with an analysis forecasting a static bond amount, 5 year average for refunds; a 6 year average for premiums, deposits and admin fee transfers; a 10 year average for interest and 21 year average for forfeiture amounts. He also explained a plan-level refund comparison and a plan-level refund impact analysis.

NAC 519A proposed changes

Section 2 definition of “notice-level project” was added. We did not have notice-level defined and this is key because our notice-level statewide bond pool program is keyed right to the BLM notice-level projects so we used the definition from the BLM for ours so they link together. The reason why it had to be done this way because the rest of this chapter which deals with NDEP doesn’t talk about notices because they don’t deal with notices.

Section 3 talks about how they’re going to pay the deposit and any increases or decreases. We needed to make sure it was understood how the bond pool coverages are going to move up or down. The current regulations do not have the bifurcation between notice and plan. Currently it talks about bonds less than \$10,000 they have to pay 100%, we have a lot of notices that are in excess of \$10,000 so they don’t meet that requirement. We had notice-level participants that wanted to come into the 50% deposit clause and that’s not how this works. The regulations don’t make that clear that’s why we’re changing this to make it clearer.

Section 4 talks about definitions that are described in sections 2 and 3 which do not apply to the rest of the chapter, they only apply to our section of the chapter.

Section 5 edited the definition of “mining operation” because currently it says the term does not include aggregate or sand pit and one of our biggest plan-level participants is an aggregate operation so we changed it to reflect our current practices.

Rich Perry: Which one is that Mike?

Mike Visher: Southern Nevada Lightweight Sand.

Rich Perry: Is that on BLM ground?

Mike Visher: Yes.

Rich Perry: Does the BLM require it be bonded for reclamation?

Mike Visher: Yes, and because it’s an aggregate operation it falls outside of NDEP.

Section 6 clarified a “plan” that would include a plan for reclamation that’s filed with NDEP.

Section 7 clarifies bond application requirements for notice-level vs plan-level bonds to reflect current practices.

Rich Perry: And we do not have this with the Forest Service. Bond pool doesn’t apply to any other land other than BLM administered public land or private land.

Section 8 revises the premium amount that’s required the actual amount is in **Section 9** where we decrease it from 3% to 2%.

Section 10 revised internal reference to the deposit amount not returned to participant if terminated from bond pool. They’re terminated if they don’t make their premium payments within 70 days of the due date and we have to give them at least 30 day notice of the deadline date.

Rich Perry: Are you involved with that Kelly?

Kelly Rodriguez: Only involved with calling for the money and arranging it to be transferred and I have colleagues that are in charge of the operations.

Section 11 clarifies refund process of 75% of premiums paid up to the point deposit and premiums equaled bond amount. This is plan-level only.

Section 12 is not related to the bond pool it is tied to reclamation in a sense, it’s our surface disturbance fees and no longer collected on notices.

Mike Visher: The next step is to solicit and consider comments to proposed regulations, make changes as needed. If changes are substantive, re-submit to LCB and conduct a new workshop. If no changes, or not substantive, a public hearing and adoption by CMR is tentatively scheduled for November 21, 2019.

Rich Perry: Where is the change that defines what a mine is? The one that the Nevada Mining Association asked about.

Mike Visher: We have mining operations in section 5 that’s where we removed the aggregate and sand pit on page 4.

Rich Perry: So we removed “the term that does not include an aggregate or sand pit.”

Mike Visher: I’m not sure why that was in there to begin with.

Rich Perry: It’s probably just mimicking what 519A statute has as a definition but as we established here this can be a different definition to what’s in the statute for mining operation.

Mike Visher: We will probably recommend on page 8 section 9 under #5 in blue where it says “for bonds that were issued or that increased because the plan was amended”, I think what we’ll do there is add, after the words “because the”, add “notice or” and do the same thing with 5 (c) add “notice or”.

Rich Perry: I think that can be done by the Commission.

COMMENTS BY THE GENERAL PUBLIC - None

The workshop adjourned at 2:13 P.M.