

STATE OF NEVADA COMMISSION ON MINERAL RESOURCES

DIVISION OF MINERALS

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Thursday, February 15, 2024,

10:00 A.M.

MINUTES

Commission	Staff	Public
Josh Nordquist	Robert Ghiglieri	Daniel Marlow
Art Henderson via zoom	Rebecca Tims	Amanda Peach
Bob Felder	Nicole Ting, DAG via Zoom	Pesach Chanahiah
Randy Griffin	Deborah Selig	Jim Faulds NBMG
Nigel Bain	Garrett Wake	Josh Bonde NSM
Mary Korpi via zoom	Keith Hayes	Becky Hall CMNN
	Rick Kauffman	
	Crystal Cruson	

CALL TO ORDER

10:02 AM by Josh Nordquist

Roll Call

All commissioners were present except for Stephanie Hallinan. Quorum noted.

PLEDGE OF ALLEGIANCE

Led by Josh Nordquist

COMMENTS BY THE GENERAL PUBLIC

None

I. AGENDA

A. Approval of the Agenda

Robert Ghiglieri requested to move agenda item V. A to immediately follow agenda item IV. C.

Motion to approve the revised agenda made by: Bob Felder

Seconded by: Nigel Bain **Unanimously approved.**

II. Minutes

Approval of the meeting minutes from the November 8th meeting

Motion to approve the minutes made by: Mary Korpi

<u>Seconded by:</u> Randy Griffin <u>Unanimously approved.</u>

III. Adoption Hearing

Robert Ghiglieri went over regulation changes to NAC 534B.100 and NAC 534B.125 and adoption hearing.

Motion to approve: Randy Griffin

Seconded by: Nigel Bain Unanimously approved.

IV. New Business

A. Introduction of the new NDOM staff

Robert Ghiglieri introduced the new NDOM staff.

B. Introduction of the new NVMA President

Robert Ghiglieri introduced the new NVMA president, Amanda Hilton.

C. Joint Interim Standing Committee on Natural Resources and it's subcommittee on Public Lands, review of Commission

Robert Ghiglieri presented on the Joint Interim Standing Committee and review of their commission.

Josh Nordquist: Can you work with one of us to finalize the presentation before April 5th? Unless any other commissioner disagrees, I can be your point of contact.

Art Henderson: I agree, I think we need a commissioner to work with Rob.

Garret Wake: Is this something that would be a violation of open meeting law if the commissioners work together on this?

Robert Ghiglieri: Yes, anytime there is collaboration between the commissioners.

Garrett Wake: I just wasn't sure since this isn't a regulation.

Robert Ghiglieri: As long as the commission is individually providing me information and I am representing making the recommendations moving forward, we are not violating open meeting law. But as soon as you create a subcommittee, that committee is now a committee, and if two of them meet it's a majority.

Nicole Ting: Wow, that's impressive, that's exactly the state of the law.

Robert Ghiglieri: Thank you. I think if Josh and I do that, that's the best. Do you need a vote on the direction moving forward?

Josh Nordquist: I don't see it as a voting action.

Mary Korpi: Rob, do you have a timeframe for this presentation?

Robert Ghiglieri: No, they have not given me any timeframe.

Mary Korpi: I think that's going to be critical if you can get something because there is a lot of information and if it gets narrowed down, it's going to have to be those high points for sure.

Robert Ghiglieri: That's a great point Mary, thank you. I'll reach out and ask. They said any item can be added or removed between now and the meeting, so we have to be able to adjust if there are additional questions coming at the last minute because they already have another natural resource committee meeting at the end of this month. So, there is already a meeting in-between where they are focused on that.

Josh Nordquist: Is there any mention of the bond pool in there?

Robert Ghiglieri: There is a mention of it and the programs that we oversee, it's very brief.

Josh Nordquist: Same sort of realm, right?

Robert Ghiglieri: Yes.

D. Proposal to join the Interstate Mining Compact Commission

Robert Ghiglieri proposed that the Division of Minerals join the Interstate Mining Compact Commission.

Art Henderson: Are they pressuring us to become a full member or are they satisfied with us as an associate member?

Robert Ghiglieri: They have encouraged us to pursue full membership.

Art Henderson: I know that the governor at that time did not want to do that. We can give all the support that we want but really it is up to the governor to decide if he is in favor of this.

Robert Ghiglieri: Absolutely. That is why I want to make sure I have your support as a commission before I have conversations with my direct liaison at the governor's office. I have had preliminary discussions, and they see the benefit, but I do not believe it has gone all the way up to him yet, so I want to make sure I have the support of the commission before I start that process.

Art Henderson: The cost was the biggest argument we had in the past.

Robert Ghiglieri: And it's still the argument, but it's why IMCC put that cap on the fee.

Nigel Bain: There is a list on their website, and it doesn't include Nevada as an associate.

Robert Ghiglieri: At that point in time in 2015, the governor officially said no we're not going to pursue membership now, but they allowed us a handshake deal to kind of maintain that level to be involved but not be members. The conversation was that we either take the next steps forward and become members or it's created tension within the commission of us being there where we are not technically a full member but continue floating as an unofficial associate member as we have for 7 years now. From what I have seen in the last 8 to 10 years, if there was a time for the State of Nevada to get involved, it would be now.

Nigel Bain: I would support continuing the process.

Josh Nordquist: I don't know if I see this as a vote, but my suggestion is to continue forward. Once a decision is made by the governor's office, if he would support this then I would support it. It seems like the decision voting point is around compiling a BDR.

E. AML Sample Collection Program

Rick Kauffman presented a program to the commission on AML sampling.

Bob Felder: Interns are normally undergraduates, not necessarily geologists. I think the value of this program is more impactful on training interns than on helping exploration. The reason I say that is most districts have been characterized geochemically and all the old Nevada Bureau of Mines and Geology reports show what kind of metals were detected in those districts. A couple of new samples with modern analysis would be good, but I have a hard time seeing a big impact on exploration. It's not comprehensive, you know, there is an indication that there is this kind of rock and I think the descriptions of rocks with interns would be hard to publish.

Rick Kauffman: That is understandable. The descriptions would maybe be left out, and we would just provide a chemical analysis. If you look at the British Columbia Geologic Society, they have a comprehensive rock sampling collection program and that is kind of what gave us the idea moving on with this. The idea is that you can collect a point and look at the results from that sample.

Bob Felder: I like the idea, but I am just thinking of practical applications and in terms of influencing the exploration community because of the sampling program, I don't see it.

Robert Ghiglieri: To add to your comment, the idea behind this is that we go to these sites sometimes multiple times. All of us are geologists and we just want to look at the rocks and see what is there, so it would be great if we could start getting generic background data. We're already there and it's a pilot program. Is this something that will work? Will we be able to recruit enough qualified interns? Will it deter too much from AML (Abandoned Mine Lands)? Or is this something that we could incorporate easily? Mike pitched this to me when I first started. This is truly a pilot project and that is why we are asking for \$30,000 per year to see if this works and then at that point in time, in the summer season, we can say we think this would be a great success or not that is not going to work in the future.

Garrett Wake: Gold and silver and a few other minerals have been heavily explored in the state, but the big push for a new suite of minerals, how has that exploration faired in the past? A lot of these prospects are probably for gold and silver, but could we find some kind of anomalous results? It's low cost, but I agree, I think there is an issue if you keep it at the district level-- how helpful is that? But at the same time, if you set up the points and you're on somebody's claims, is that going to cause an issue?

Bob Felder: I think you made a good point about the historic reports. The analysis is probably precious metals. But it's old data and I hope it didn't sound like I was throwing cold water at you. I like the idea of it and there is probably no harm in trying it and you'll never know is anybody in exploration looking at these new samples and acting on them.

Rick Kauffman: You'll never really know that especially if we only have a small suite of only 200 samples. You select one district and collect the 200 samples and we can then publish the data however we see fit.

Bob Felder: I misunderstood, I thought that each closure site that you had visited during any given season might be thirty or forty or fifty of those. I thought it was going to be a handful of samples for each individual site no matter where they are.

Rick Kauffman: Yes, but to help sell the idea and especially as a pilot program is to condense the data instead of having it spread out. We can condense the data and then publish it how we see fit. Is it helpful, is it not? Next year we can look at it and say we tried.

Bob Felder: I think there is a lot of value in converting your interns into geologists.

Rick Kauffman: Especially nowadays it is hard to find geology interns even if you go to the big mines.

Bob Felder: What percentage of our closure sites that we visit are on active mining claims?

Robert Ghiglieri: Right now, it is a high percentage. That's why we are looking at it at the scale of a district so that it is not putting it against a claim.

Jim Faulds: Could this dovetail with the mine waste program?

Robert Ghiglieri: Yes

V. Old Business

A. NDOM Budget Update

Garrett Wake updated the commission on NDOM's current budget.

Art Henderson: We've been through ups and downs, and we've always tried to project the future, which is difficult. What is your projection? You show this chart and in recent years it has been increasing. We know lithium is driving a lot of them and maybe you can tell us what other things are driving them. But if you have a steady projection for increase, Josh, I think maybe we ought to look at reducing the claim fees. We have a huge excess and if we could reduce some of the fees for the mining community, it may be a good time to look at that. Because I don't think you will be able to spend all that money.

Robert Ghiglieri: I think we'll be able to discuss it in May because I do remember in 2015 or 2016, we did increase the claim fees from \$8.50 to \$10.00. We said if there ever was a significant surplus where we could not manage that money efficiently from the AML program, that we would look to reducing the fee to help industry, mainly exploration. So, that is definitely one of the options and at the May meeting we will do our best to try to forecast what the claims are going to be. I thought last year was going to be the peak, but it appears not.

Art Henderson: Josh, I think we should at least look in to that because we increased in a time of need and now it appears that we are in a much better position. So, I think we should at least have a report so that we can review it at the next meeting.

Josh Nordquist: That is a good suggestion Art. I agree, the general trend seems to be on the upswing and not a downswing. But to relay that it's a careful decision making because the reserves are there to protect the Division, to make sure that we have operating reserves and be careful not to risk it.

Art Henderson: This chart shows only 5 years, but we have never been below our reserves.

Josh Nordquist: This chart tells some of that story that if we're not seeing that big of an increase of year over year in the past, but we are seeing more organic level increases.

Art Henderson: We are also getting more revenue from other sources now than what we used to get.

Garrett Wake: Also, one thing is that we have found a lot of success in doing contract work with the AML program and something I think prior to maybe 7-10 years ago. The division didn't do that. We have been increasing our contract funding because of our successes. I don't think we have extended that a whole lot into other areas, other than our work with the Bureau. There is a lot more that I think we can come up with to benefit the industry where we haven't really looked before, I don't think we have innovated in other areas and that may be something to

consider. There are a lot of ideas that we could come up with that would benefit the industry. One great example that was recently done was the copper smelting report. That was unique and something that we offered to industry, and we showed that in many places. Things like that.

Art Henderson: Just think of all the places you guys go to and then you say we are reducing our claim fees, we are open for business, and we are here to help you and we are here to help the mining people. I think all the commissioners that are here that are involved in the mining, I'd like to hear from you. Don't you think that would be a welcome gesture from us to support the industry or do you think it is insignificant?

Bob Felder: How long ago was it that we raised the fees?

Robert Ghiglieri: 2015 or 2016. It was a \$1.50 per claim increase.

Bob Felder: Because obviously we're dealing with industry and we don't want to be raising and lowering the fees too often, but it's going on for 10 years and that's not too bad. The question is, if we seriously consider lowering it, I think we should be prepared to live with that for a while and we can't predict the future. It makes me a little nervous.

Art Henderson: We have two times our reserves and that is what we said when we raised the fees, if we come to a time when we have excess, we would revisit this. I'm not saying we must actually lower them, but we certainly need to revisit this because that is what we gave our word on. All of the meetings we went to, and we didn't get a lot of pushback from them because they understood the situation we were in. Maybe Rob can look up some of those old notes and report exactly what we told everyone.

Robert Ghiglieri: I will. I remember being there at that meeting in Carson City and something very similar to what you said was mentioned so I will try to find that information.

Randy Griffin: I wasn't part of the commission in 2015, but there was something that we raised, I think it was 50 cents and I remember everybody wanted to raise it except Nigel.

Bob Felder: I recall that we decided that 50 cents wasn't worth bothering with.

Randy Griffin: Do you remember that, Nigel?

Nigel Bain: It was in Eureka actually, was it a split in the claim fees.

Robert Ghiglieri: I think Mike suggested looking at reducing the claim fees by 50 cents.

Randy Griffin: Well, we raised it, I remember it was like 6 to 1. But there was something we raised by 50 cents because we voted on it.

Art Henderson: Nevertheless, we are in good shape with our budget, and I think that the division is doing a great iob.

Josh Nordquist: What I would suggest is to think how we can utilize our reserves and I think the suggestions taken from the commission is part of that should be the thought process on reduction of fees. Again, no matter how it is in the end, it's like the balance and we should incorporate that into a bigger discussion at the next meeting.

B. NBMG Ongoing Contracts Update

Jim Faulds provided the commission with updates regarding NBMG ongoing contracts.

C. NV State Museum and Children's Museum Updates

Becky Hall provided an update on the Children's Museum exhibit.

Robert Ghiglieri: I would like to remind the commission that with the State Museum and the exhibit we are looking at long-term additional downstairs mining exhibits that have been put on hold, but it hasn't been taken off the table.

Garrett Wake: The state museum in Las Vegas has also reached out and asked about beefing up their mining and minerals exhibit because they have a nice large square set exhibit and they have mining and mineral related exhibits that have been there for a long time, but they do have an area for that and have intent so a lot of museums are recognizing the great work of the commission.

D. Request to Update AML SOSA Content and other Educational Materials

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Keith Hayes presented a request for funding to update NDOM's educational materials.

Mary Korpi: I just want to say that I am glad to see that this proposal came forward and I also like the idea of doing everything at once so that you have a similar branding, so I am absolutely supportive of this project.

Bob Felder: So, we provide the content, and they provide sort of the design aspect?

Keith Hayes: Correct. Several of the companies I have been in contact with are willing to do multiple iterations to show us some ideas. My assumption is that they would give us a few items to get an idea first.

Bob Felder: As a funding proposal I would like to see the printing cost.

Robert Ghiglieri: One of the things that we struggled with is that we used to mail these to every fourth and seventh grade class and enough for each student in the class so we would spend thousands of dollars on mailing alone, and now most teachers will be able to accept this digitally. Printing will be there for these, but we are talking a couple of hundred dollars a year.

Keith Hayes: Going through the process of the teacher's workshop and promoting that these last few months, I think that I have the outlets now that once this is something that we feel really proud of and to put our name on as an educational resource. I feel that I have a lot of outlets to where I could now market these so that they are actually being used.

Randy Griffin: So, we'll send out the digital whatever these are, and the teachers will distribute them?

Keith Hayes: Yes

Randy Griffin: Would you put out some sort of bid between these 4 companies that we have service contracts with?

Keith Hayes: You hit on something exactly right, if I am going to go about doing this, I am going to get quotes from all of them and I will absolutely do the full due diligence on getting the best products.

Robert Ghiglieri: At that point in time, fourth grade was when they brought Nevada history to the curriculum and seventh grade was because it was a natural science and when that was brought in. Now it varies from class to class at the middle school level, the fourth grade is for 4th grade and that is where Nevada history comes in.

Keith Hayes: We will make sure to outline for the teachers what standards that these mini units are hitting because that is where the grade level distinction comes from those core standards.

Motion to approve up to \$42,000: Bob Felder Seconded by: Mary Korpi Unanimously approved.

E. Review of Ongoing Federal Legislation Proposals

Robert Ghiglieri gave a brief overview of ongoing federal legislation proposals.

F. Administrator Report

Robert Ghiglieri provided the commission with his administrator report.

Mary Korpi: I want to add one to Rob's, Rob has volunteered to speak at the SME Reno section meeting on May 6th so if anybody is around and you want to go to the meeting, he will fill you in on what is going on. There are a lot of people in Nevada that don't necessarily know what we are doing in the mining business.

G. Set Commission Meeting Dates

Robert Ghiglieri proposed to schedule the remainder of the year's quarterly commission meetings.

VI. Commission Business

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- A. Correspondence to the Commission
- B. Review of staff monthly activity reports
- C. Future Agenda Items

COMMENTS BY THE GENERAL PUBLIC

None

ADJOURNMENT

3:39 pm