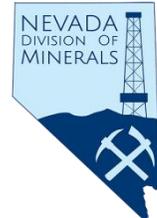




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Wednesday, August 10, 2022

1:00 P.M.

MINUTES

Commissioners	Staff	Public
Josh Nordquist	Mike Visher	Annie Huhta, Director, MSESE, via Zoom
Mary Korpi	Rob Ghiglieri	Sandra Brewer, BLM, via Zoom
Art Henderson	Sherrie Nuckolls	Robert Ernaut, R&R Partners, via Zoom
Bob Felder	Sean Derby	Jim Faulds, Director, NBMG
Nigel Bain	Valerie Kneefel	
Randy Griffin via Zoom	Anthony Walsh, DAG	

CALL TO ORDER

1:00 PM

ROLL CALL

All commissioners present except for Commissioner Hallinan. Quorum noted.

PLEDGE OF ALLEGIANCE

COMMENTS BY THE GENERAL PUBLIC

There were no comments.

AGENDA

A. Approval of the Agenda

Mike Visher requested a change to the agenda. That agenda Item IV.B. be tabled for a subsequent meeting.

Motion to approve the changed agenda made by: Bob Felder

Seconded by: Mary Korpi

Unanimously approved

II. MINUTES

A. Approval of the May 19, 2022, quarterly meeting minutes

Motion to approve the May 19, 2022, minutes made by: Nigel Bain

Seconded by: Mary Korpi

Unanimously approved

III. NEW BUSINESS

A. Review of Agency's Draft Budget for Fiscal years 2024/2025

Valerie Kneefel provided an overview of the budget building process, including budget timeline, rules, changes to the base year (FY22), enhancements, some screenshots from the Nevada Executive Budget System (NEBS), fund maps, and checklist, see attached presentation. Mike Visher then presented the fiscal year mining claim revenue and forecast for the end of the fiscal year 2022 and the actual vs. forecasts for revenue and expenditures through FY25, see attachments.

Randy Griffin: Do they ever ask you to add items to account for unforeseen expenses or inflation?

Mike Visher: No. You can't include anything for inflation or contingencies or overtime.

Bob Felder: Since our meeting in May and the softening market conditions, have you made any adjustments to our revenue expectations?

Mike Visher: We've projected no change to mining claim revenue for FY23, but -4% for each of FY 24 and FY25 based on a recent S&P Global forecast showing gold prices dropping 8% by 2025 and that mining claims typically follow trend of gold price. We're taking a conservative approach and one we think we can justify.

B. Overview of the Nevada Mining Center for Excellence and Request for Support

Annie Huhta, Director of the Mackay School of Earth Sciences and Engineering gave a presentation on the new Nevada Mining Center for Excellence, a collaboration between the University of Nevada, Reno and the Great Basin College, see attached presentation. At the conclusion of the PowerPoint, she summarized a letter to the Commission requesting financial support for the purchase of lab equipment. The lab equipment needs included: 1) unconfined compression testing machine - \$65,000; 2) crushing and grinding lab equipment - \$50,000; and 3) a 3D topographical and digital sand table - \$31,000.

Mike Visher: I'll add a little information I learned about Great Basin College. They have exposure in 21 different communities from Pahrump to Jackpot. Because they already had virtual teaching platforms, they actually saw increased enrollment during the pandemic. Their main campus in Elko is immersed in the mining community and this center is a mechanism for addressing the current educational needs in support of the industry. Annie, can you clarify your intent for where this equipment will be located and how it will be used?

Annie Huhta: Our phase I implementation will have this equipment go into the building in Elko where students will be using it hands-on. The high schools with dual credit programs, Battle Mountain, Elko, and Spring Creek will be part of this Phase I implementation. Potentially over 100 students from those 3 schools each year could use the lab.

Mary Korpi: I agree with Mike, the passion the teachers at Great Basin College have and cooperation with industry over the years has grown the programs significantly. The industry would have suffered if not for the feeder programs they have.

Nigel Bain: There's another group that may benefit from these programs and it's those without any tertiary schooling who are now foreman, supervisors, even managers that need to broaden their educational skillset. I'm fully supportive of this effort.

Mary Korpi: While there are current paths for trade positions, I see this as a great path for someone to then consider continuing on into maybe even engineering. The industry is starving for engineers. I like this feeder option.

Bob Felder: Annie, I have a couple of questions. The gentleman you've hired, who is that, what is his expertise, and what will he be teaching?

Annie Huhta: His name is Dr. Sam Spearing, he is a mining engineer, he has his doctorate, he's worked both state-side and internationally, most recently in Australia developing a program similar to what we're proposing here. Right now, he's working 50% at Mackay as an instructor and 50% on developing the curriculum for the Mining Center for

Excellence. We have one additional planned faculty hire to support earth science and areas outside of mining and metallurgical engineering.

Bob Felder: Do you have other funding proposals and what are your future funding needs?

Annie Huhta: Overall equipment needs we're looking at about \$450,000. We're currently in discussion with industry partners for an initial ask of \$500,000.

Josh Nordquist: Have we done any presentations with Great Basin College before, or partnered with them on AML or outreach?

Mike Visher: We partnered with them several years ago for one of our Teachers Workshops. On the AML side, not that I'm aware of.

Sean Derby: Have you reached out to any commercial partners, like Maptek or LeapFrog? They have offices in Elko and those licenses are expensive but having those tools available for younger students would be helpful.

Annie Huhta: I agree. There are a number of community stakeholders we've been connecting with to build out these partnerships. Additionally, Mackay already has working agreements with Maptek and others for support for students and faculty.

Anthony Walsh: Can I get a clarification on where the funding would be coming from for this request?

Mike Visher: It would come from the Reserve.

Anthony Walsh: Okay, I'm good with that.

Art Henderson: There are three items listed in the request and I think we should just fund them all, for the total of \$146,000.

Motion to approve spending of \$146,000 for purchase of the lab equipment detailed in the letter, made by: Nigel Bain

Seconded by: Art Henderson

Josh Nordquist: For clarity, the proposed spending would come from the Reserve, and in fiscal 2023, correct?

Mike Visher: Yes.

Mary Korpi: I would just add to that that we get a progress report at our meetings or twice a year on the Mining Center for Excellence from Annie.

Nigel Bain: Can we ask that of you Annie?

Annie Huhta: Of course, I'd be happy to. This will be one of many progress reports that we'll have.

Art Henderson: I just have one more question. For the mobile lab that you'll be developing, what percentage of use will it see? How many weeks a year?

Annie Huhta: Just for clarification, the lab equipment we're requesting the funding for will be installed in static lab in the building at the Elko campus. We will implement the mobile lab after the completion of Phase I. The mobile lab will be kept busy 48 or 49 weeks a year.

Art Henderson: The reason I ask, is that we do a lot of outreach and maybe when that lab isn't being used, we can use for it at some of educational outreach events, especially at the Teachers Workshops. Maybe we can do some things together.

Annie Huhta: Absolutely.

Josh Nordquist: For clarification, Phase II will be 2024, correct?

Annie Huhta: Yes.

Art Henderson: The lead time for this equipment, is that like 12 months?

Annie Huhta: I think it depends on the particular equipment and the components for that equipment which may extend the lead time. For example, for the 3D sandbox, the chip component will delay the delivery of it.

Josh Nordquist: Is there a plan for recognition?

Annie Huhta: We approach each entity with a discussion for how they'd like to be recognized. There are a number of opportunities for recognition. So, we can have that discussion.

Josh Nordquist: That means you, Mike. I think it's important that the younger generations know about the Commission. I also recognize that it's an outreach opportunity for our AML program.

Sean Derby: Yes, I like to have conversation with you about that, Annie.

Annie Huhta: Yes, I'd love to.

Josh Nordquist: Mike, do you see any issue with getting the funding to Annie soon so she can place the orders needed?

Mike Visher: No. There will be an interlocal contract needing approval by the BOE and a Work Program to be approved by the IFC, so depending on whether there is funding requirement prior to placing the order, it will take 2-3 months minimum before we can provide the funds.

Josh Nordquist: Annie, are you aware of this, the timing?

Annie Huhta: Yes, and I'm confident that we can complete the acquisition within the fiscal year.

Josh Nordquist: Any further discussion on the motion? Hearing none, we're ready for a vote.

Motion passed unanimously.

Annie Huhta: Thank you, truly. I believe this will be a unique and transformational program for rural Nevada.

C. Overview of the 2022 PDAC Annual Conference

A pre-recorded video presentation was shown. In it, Garrett Wake provided an overview of the 2022 Prospectors and Developers Association of Canada annual conference in Toronto, see attachment.

Art Henderson: Did I hear right; we were the only US agency at the event?

Rob Ghiglieri: Yes. There were a lot of US companies, but we were the only agency. We had a lot of interaction with folks, especially regarding critical minerals. It was a very good conference.

Art Henderson: Why just two people this year?

Rob Ghiglieri: In a normal year we would have five or six people additional people at the Nevada Booth, but this year's event was delayed and much smaller. Occurring in the middle of summer meant fewer industry and agency people could attend to help us out.

IV. OLD BUSINESS

A. Update on the Status of Commission-Approved Projects by NBMG

Jim Faulds, Director of the Nevada Bureau of Mines and Geology gave a PowerPoint presentation summarizing the recently completed and ongoing projects funded by the Commission, see attachment. There were no questions from the Commission. Jim Faulds then provided a verbal update on new LiDAR projects in the State and the GBSSRL building expansion funding request.

Rob Ghiglieri: When will the LiDAR data be available for the northern part of the State?

Jim Faulds: The acquisition was completed and the processing, which takes about a year, is ongoing. Some northern NV data will be released this fall, the rest next summer.

B. Updated NBMG Special Project Proposal

Tabled for future meeting.

C. Update on Rock and Mineral Exhibit at Reno Discovery Museum

A pre-recorded video presentation was shown. In it, Garrett Wake provided an update of the rock and minerals exhibit fabricated in Las Vegas and installed in the lobby of the Reno Discovery Museum in June, see attachment.

Mike Visher: The last page in your packet is a picture of the recognition plaque that will be attached to the exhibit. Mat Sinclair, the museum director, is very happy with the exhibit and asked me to express his thanks to the Commission. Having it located in the lobby makes it more accessible and free to the public.

Bob Felder: Is the museum going to have a special announcement or event to highlight the exhibit?

Mike Visher: It's anticipated that there will be something when Mat returns from his sabbatical.

D. Update on AML Hard Closure Fund Program

Sean provided an update on the Division's development of a hard closure funding program for public agencies. He walked through the anticipated workflow for the process, guidelines for submission and a sample closure request form. One question that staff wanted to ask the Commission was whether this program should be available for non-profits in addition to the public agencies, see attachment.

Sean Derby: There are a number of non-profits that may be interested in pursuing a funding request, but my initial inclination is not to allow it.

Mike Visher: We think the definition of public agency in State law is sufficient for us to start the program and is in line with what we presented to the Commission and what you approved. We felt we shouldn't just say no to non-profits without having consensus from the Commission.

Anthony Walsh: In keeping with the authority under NRS 513.108, I think it's safer to stick with funding to counties and the approach of public agencies. Having said that, there is no expressed prohibition on working with non-profit groups.

Mike Visher: Our intent here was to give you a progress report on the program's development and bring up the non-profit question, which is why it's listed on the agenda for possible action.

Josh Nordquist: Would the public agencies be coming to the Commission for approval.

Mike Visher: No, they would be coming to the Division for approval. Any proposals would be included in the monthly summary to the Commission.

Bob Felder: I agree with the discussion of leaving the non-profits aside.

Josh Nordquist: Okay, I think we're all in agreement that there's no action on this item.

COMMISSION BUSINESS

A. Review of staff monthly activity reports

Mike explained the reports for April, May and June are in more detail than the executive summary provided monthly to the Commission so if there are any questions, this is the time to ask about those. There were no questions asked by the Commission.

B. Set date for next Commission meeting

A special meeting, via Zoom, may be scheduled for early October for review of the digital marketing campaign video. The next quarterly meeting will be Wednesday, November 30, 2022, in Las Vegas, time and venue TBD.

COMMENTS BY THE GENERAL PUBLIC

There were no public comments.

ADJOURNMENT

3:49 p.m.