



**JOE LOMBARDO**  
Governor

STATE OF NEVADA  
COMMISSION ON MINERAL RESOURCES  
**DIVISION OF MINERALS**  
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**MICHAEL VISHER**  
Administrator

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Tuesday May 30, 2023

2:00 P.M.

**MINUTES**

Commissioners	Staff	Public
Mary Korpi	Mike Visher	
Art Henderson (via zoom)	Rob Ghiglieri	
Randy Griffin (via zoom)	Rebecca Tims	
Stephanie Hallinan (via zoom)	Nathan Holland, DAG	
	Jim Faulds	

**CALL TO ORDER**

2:04 PM

**ROLL CALL**

All Commissioners were present except Josh Nordquist, Bob Felder, and Nigel Bain. Quorum noted.

**PLEDGE OF ALLEGIANCE**

**COMMENTS BY THE GENERAL PUBLIC**

There were no public comments.

**I. AGENDA**

Approval of the Agenda

**Motion to approve the agenda made by:** Stephanie Hallinan

**Seconded by:** Randy Griffin

**Unanimously approved.**

**II. Old Business**

**A. Review of the NBMG Interlocal Contract for Fiscal Years 2024 and 2025**

Administrator Visher reviewed Attachment A which is the proposed scope of work for the new 2-year contract with the Nevada Bureau of Mines and Geology (NBMG). Compared to the previous 2-year contract with NBMG, there are now only three projects for the biennium. The first project is sample curation at \$20,000 a year. The Minerals Industry (MI) Report is the second project at \$35,000 per year. The last project is the Exploration Survey which is every other year to coincide with the legislative session at \$35,000. Administrator Visher stated that in the new proposed contract, project 4 has been eliminated. The proposed contract does not include the allowed indirect cost rate of up to 8% to NSHE. NDOM has incorporated the Governor's cost of living adjustments (COLA) for State employees of 10% in fiscal year 2024, and

4% in fiscal year 2025 which is reflected in the table on page 2 of the contract. The pay bill that was associated with the COLA's is Assembly Bill 522 and depending on the outcome, the table will be adjusted. The total proposed contract amount is \$163,460. \$60,500 in FY 24 and \$102,960 in FY 25.

**Mary:** Mike, could you review the reason we want to execute this contract now? Is it to ensure that the proposed contract keeps NBMG projects in the right place at the right time?

**Mike:** The budget authority was included in our budget for this contract, but it was using the prior total amounts as the placeholder. We have that authority if our budget passes. It has passed all the necessary hurdles, but until the end of the legislative session we won't know for sure. I do not expect any changes to this project. We want to make sure that we have the authority to spend that money by getting the contract approved at the Board of Examiners meeting. To meet the deadline for July 14<sup>th</sup> Board of Examiners meeting, we have to provide the Governor's Finance Office with the signed contract by June 7<sup>th</sup>. That is what precipitated this special meeting. The Bureau traditionally has started working on the MI Report at the beginning of the fiscal year.

**Jim:** We start work immediately at the beginning of the fiscal year to ensure that the greatest amount of work is met on the MI report. Sample curation is ongoing through the entire year. The critical one to get going is the work on the MI Report.

**Motion to approve the new contract as proposed made by:** Randy Griffin

**Seconded by:** Stephanie Hallinan

**Unanimously approved.**

#### **COMMENTS BY THE GENERAL PUBLIC**

Jim Faulds thanked the chair and the commissioners, and stated he greatly appreciates the support.

#### **ADJOURNMENT**

**2:17 P.M.**

# Attachment A

## Scope of work for the contract between the Nevada Division of Minerals (NDOM) and Nevada Bureau of Mines and Geology (NBMG)

NBMG agrees to complete the following work in fiscal years 2024 and 2025 in cooperation with the Nevada Division of Minerals and Commission on Mineral Resources. NBMG serves as the state geological survey and is a public service unit of the University of Nevada, Reno. State statutes require that NBMG “serve as a bureau of information and exchange on Nevada’s mineral industry, mineral resources, and geology”. The projects will produce reports or make available data on Nevada’s mineral and energy resources, which helps to stimulate exploration and development in Nevada. The total funding request is **\$163,460**, \$60,500 in fiscal 2024, and \$102,960 in fiscal 2025. This funding includes the Governor’s recommended COLA increases of 10% in FY24 and 4% in FY25. If the rates applicable to NSHE are changed as a result of passage of Assembly Bill 522 in the 2023 Legislative Session, then the fiscal year funding will be adjusted accordingly. This contract does not include an indirect cost rate. Three primary continuing projects are proposed. Table 1 provides itemized budgets for the projects in each fiscal year.

### **Project 1 – Sample Curation (\$20,000 per year):**

The GBSSRL serves as a repository for oil, gas and geothermal (OGG) well cuttings and well logs. Specific deliverables include:

- Cataloguing and curation of all new OGG well cuttings and core.
- Digitizing oil, gas, and geothermal well logs into a searchable database
- One annual report listing the cuttings and well logs that have been archived and digitized, including any backlog.

#### Deliverables timeline:

On or before June 30 of each fiscal year, NBMG provides NDOM a list of what sample curation was completed during that fiscal year.

### **Project 2 – Publication of the annual Nevada Mineral Industry Report (\$35,000 per year):**

NBMG produces an annual report on activities of the mining and energy industries in Nevada. Specific deliverables:

#### Deliverables timeline:

1. Nevada Mineral Industry Report in each fiscal year by December 1 each year.
2. Update the Active Mines and Energy Producer Maps by December 31, 2024 (every other year).

### **Project 3 – Exploration Survey (\$35,000 in FY 2025):**

This project involves preparing a sixth edition in FY25 of exploration activities conducted in Nevada. Funds will be allocated toward a survey of mineral and geothermal exploration completed by companies in 2023/2024. Periodic assessments are critical for defining industry trends, which will provide insights into future economic impacts on the State. In addition to a traditional survey being distributed to mining and exploration companies, information on exploration activities and expenditures will be compiled from company websites and stock exchange filings.

#### Deliverable timeline:

Report will be completed prior to the 2025 legislative session (by February 1, 2025) and thus available for consideration of any resource-related legislation.

# Attachment A

**Table 1. Budgets for Proposed Projects**

Project	Fiscal 2024			Fiscal 2025			Totalled Including COLA
	Base Cost	COLA @ 10%	Project Cost with COLA	Base Cost	COLA @ 4% (including FY24 COLA)	Project Cost with COLA (including FY24 COLA)	
Project 1: Sample Curation	\$20,000	\$2,000	\$22,000	\$20,000	\$2,880	\$22,880	\$44,880
Project 2: MI Reports	\$35,000	\$3,500	\$38,500	\$35,000	\$5,040	\$40,040	\$78,540
Project 3: Exploration Survey	\$0	\$0	\$0	\$35,000	\$5,040	\$40,040	\$40,040
<b>Total</b>	<b>\$55,000</b>	<b>\$5,500</b>	<b>\$60,500</b>	<b>\$90,000</b>	<b>\$12,960</b>	<b>\$102,960</b>	<b>\$163,460</b>