

Minutes
BOARD OF MUSEUMS AND HISTORY
December 4, 2015

Location
Nevada State Museum
Special Events Room, 02-27
309 S. Valley View Blvd.
Las Vegas, NV 89107

BOARD MEMBERS PRESENT

Robert Stoldal, Chairman
Brian Allison
Dr. Alicia Barber
Renee Diamond
Pete Dubé
Dr. Doris Dwyer
Robert Ostrovsky
Seth Schorr
Anthony Timmons

BOARD MEMBERS EXCUSED

Dr. Sarah Cowie
Dan Markoff

DEPARTMENT OF TOURISM AND CULTURAL AFFAIRS, DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES STAFF PRESENT

Peter Barton, Division of Museums and History, Administrator
Carrie Edlefsen, Division of Museums and History, Administrative Services Officer
Lauri Brown, Division of Museums and History, Administrative Assistant
Sarah Bradley, Deputy Attorney General
Claudia Vecchio, Dept. of Tourism & Cultural Affairs, Director
Felecia Archer, Dept. of Tourism & Cultural Affairs, Public Information Officer
Dennis McBride, Nevada State Museum Las Vegas, Museum Director

STAFF PRESENT BY PHONE

Rebecca Palmer, SHPO, State Historic Preservation Officer
Sheryln Hayes-Zorn, Nevada Historical, Society, Acting Director

Stoldal: I'd like to reconvene the meeting of the Nevada State Museum Board for December the 4th, 2015. Please call the roll and determine if we have a quorum.

Rabe: Robert Stoldal?

Stoldal: Here.

Rabe: Bryan Allison?

Allison: Here.

Rabe: Alicia Barber.

Barber: Here.

Rabe: Sarah Cowie? No. Renee Diamond?

Diamond: Here.

Rabe: Pete Dube?

Dube: Here.

Rabe: Doris Dwyer?

Dwyer: Here.

Rabe: Daniel Markoff? No. Robert Ostrovsky?

Ostrovsky: Here.

Rabe: Seth Schorr?

Schorr: Here.

Rabe: Anthony Timmons.

Timmons: I like being last.

Rabe: We have a quorum.

Stoldal: Great, that's great. Item number nine, a report on the Collections Committee, for possible action. The Committee Chair will present a status report on a review of the collection storage issues, current policies and action taken during 2014 [sic]. A final report will be made at the Board's 2016 meeting.

We reviewed the past year's action, as well as the documents we've been receiving over the last 30 - the last four or five weeks. Copies are available. Peter sent them out to each of you. We really haven't had a time to digest or take the reports apart. In some cases, Dan Markoff, the Committee by the way consists of Alicia, Doris, Dan, and Sherry - no, Sarah.

Over the last year we've held a public meeting. Each of us have visited at least once or probably more once all of the site, including Indian Hills Curatorial Center to - to get a real sense of the challenges and opportunities that we face.

This really started when Jim Barmore will receive not only the Nevada State Museum in Carson City, but to two other - at least two other sites of the storage area at the NDOT facility in Carson City, and the Indian Hill Curatorial site. It really expanded from there to the Nevada Historical Society, the oldest facility we have at the State and they have different challenges that we see at Indian Hills, although some of the same.

NDOT has its own unique challenges, and then the Committee expanded its eyes to the entire

system, and that includes the Railroad Museum in Carson City, as well as the one in Boulder City. Both of those have challenges because they have large items that are just standing outside, railroad cars that are in - dealing with weather issues and exposure.

And then Lost City. Lost City has if you have to have a scale of one to ten, Lost City has close to minus storage, because many of the objects that are on display are only on display, because that's the only place that there is room in that facility. And they're not - they're just there with no signage, they're just on tops of some of the places. And those are some of the oldest items that we have within the system.

There is some storage area. They do have some cabinets that are up to date that they received over the last couple years, but when you open the drawers to those cabinets, items are packed so close to each other, and in some case on top of each other, delicately done, but because that would be better than out in the open.

But they're packed, they're jammed. So there's clearly an opportunity, system-wide. The facility here in Las Vegas, some of you got a chance to go downstairs and see when this opened a few years ago, we thought, we're good for a decade or more. As you look at the reports, as you walk downstairs, you saw it's full.

Now, we're going to vertical shelving. Peter got to spend some money a while back, I think it was the last of the money from the construction of this facility, and we were able to get some vertical shelving. Jim is doing the same thing at Indian Hills, using some money from the BLM. The whole BLM relationship with our system and the State in general is a complicated one. And it's not just in Nevada, it's across the country. The BLM has literally run out of - the Federal agencies have run out of storage.

UNLV which was in that business for a while under the Harry Reid Center, they had material from public lands that were stored there, artifacts and various other items that were retrieved from Government lands, if there was a decision to put a power plant, or a series of solar plants, or a roadway, the public land would have to be checked to see if there was any historical or archeological elements. And if they were found, they were curated, and then stored. The UNLV said we don't want to do this anymore.

So about 70 or 80 boxes of material went on a journey. It left UNLV, they wanted the space for something else. It moved into private storage, that was too expensive for the BLM. We took it in Carson City for a while, and then it moved back down to Las Vegas, to the Natural History Museum which is now accepting that sort of material.

But the challenge that we find in Indian Hills and some of our facilities is that we accept the material, and I think it's \$540 initially per cubic foot or for box.

Barton: Correct.

Stoldal: Per box, and then we keep it. They don't pay us an annual fee to store it or any of the cost and we in the past have used that \$540 fee from BLM for a variety of things. To put on exhibits, to buy different things, and one of the things that this Board has done based on a recommendation from Peter, is that from now on, half - I believe half of that \$540 fee goes into a separate account that can only be used for the cura - or for the storage of that.

Up until that point, that money was spent elsewhere. So it's also not clear, have we accepted this

in perpetuity? And the domino's issue is that as more public lands are being explored and used for as I say solar plants, or geothermal, or mining, or highways, or power lines, more and more of that material is going to be brought to us or someplace.

Barton: It's more than 50 percent, yes.

Stoldal: And the other 50 percent is where we have items that are stored. And when we looked at that with the Railroad staff, the Historical Society staff, as well as Jim, some of that stuff - some of those historical objects are - no longer fit into our collections and could be deaccessioned.

But also there's a climate issue at that site. That could be improved substantially. It's also the site by the way where both [inaudible 00:11:17] - no, who's...

Barton: Spirit Caveman.

Stoldal: The Spirit Caveman, and that's in a locked situation - within a locked situation. So there are some very important things at Indian Hills.

The NDOT facility is about 25 percent of the Department of Transportation area. It's a big warehouse with big doors that are open most of the time and the material, there, large objects, wagons and I think that there was a gas chamber wooden chair that was there, they're basically exposed.

Not quite outside, but close to being outside with rodents and all kinds of things that were destroying the material that was in there. And it was a variety of material.

We, the Museum system, we were storing stuff there, old lawnmowers, other equipment, building material, shelves, just sort of odds and ends. Jim and Sherry, and the Public Works, Peter I think - could you give us an update on what's at NDOT?

Barton: From a collection standpoint, you're entirely right. And for the record Peter Barton. It's mainly large objects that you know aren't suited as well to go down in the basement of the State Museum or out to Indian Hills. So there were large wagons, again from a variety of institutions, not just the State Museum, but from the Historical Society there as well. I don't believe Railroad had anything at NDOT, but the conditions were pretty bad.

The doors are frequently open. NDOT uses it for a variety of their maintenance needs, and the pigeons get in, birds get in, there was a lot of droppings, it was becoming a pretty hazardous environment.

And that's really what triggered this whole I think review of collection storage. In determining how best to mitigate the immediate problem, we went over to Public Works Board and sought their guidance along with risk management, because I was concerned of health hazards, pigeon manure is considered a hazardous material.

Public Works and Risk Management worked together and we need to thank them. We were not budgeted for this work. They found money within their existing budgets to deal with this on an immediate kind of basis, and we were up against some other needs for health - or for air quality improvements in facilities that were occupied by State workers.

They found a way to resolve all of this and brought a contractor in, who through and with the

guidance of the State Museum, were able to clean and minimally de-contaminate the surfaces on these - on these items and subsequently wrap them in plastic - not to completely seal them, but to wrap them so that further contamination would be mitigated.

So we certainly do want to go on the record to say thank you to Public Works and to State Risk Management for moving on that very, very quickly.

Stoldal: So we're settled down in...

Barton: We are settled. The work is done. The facility is clean. The floors are swept, and we're doing our best to maintain the environment in a much better condition than it was 12 months ago.

Stoldal: One of the steps to improve at NDOT, by the way when we [inaudible 00:14:58] some of the material, including one of the wagons that was there, that had been on public display, outside next to the Glen Brook, the wagon had been outside in the - maybe the late 40s, but probably closer to the 50s, early 50s, it had been outside, it was stored outside. And the better place was to put it inside at NDOT, but that wasn't much better.

So what Jim and his staff did, they moved some of the material from there, as well as some of the challenges they face in the basement of the main Museum facility in Carson.

We closed two galleries and are using the galleries, public galleries now for storage. Jim and his staff came up with an idea, they're going - one of the galleries is sort of behind the scenes tour of - so they're using it to some degree, but it's no longer a changing gallery, it's just a storage area.

Then we also get into the issue of accreditation. The Collection Committee found out that is one of the important elements to get accreditation is how you deal with your collections and how you store them.

Our museum in Carson City is accredited. The one - the Historical Society is not. They are looking to be accredited. Lost City is not, simply because its storage conditions are below standard.

And then we find out that the Railroads are a whole different issue. They are not accredited, but that's for a whole different reason, because of internal discussions in the American Association of Museums and the Railroad museums and how you deal with that.

So it becomes more complex the more we dig into this. One of the things is we want to, we would like to see all of our facilities accredited at least the non-railroad sites in some way. And in order to be accredited you have to have your storage collection properly done.

So then we looked into the policy, and this came up yesterday to some degree is the exception of what do we - do we want to put a moratorium on accepting any additional things at our facilities, any additional artifacts or whatever. And so we got - we asked each of the facilities to come up, to supply the Committee with what's their collection policy, what things are they collecting these days, or accepting these days.

[inaudible 00:17:46] you find out we're not accepting any more typewriters, we're kind of full up with typewriters and trophies, and a variety of things. But we're to the point to where we are saying no to a few things that maybe we would like to have.

So all of these things added up to - it was more than just a space issue, it's a collection policy issue, it's an accreditation issue. And so we asked them to - we didn't have a template of how to deal with the space question.

And so Peter working with the staff and the committee, we came up with a template which you'll see is in there, which not only deals with sort of the horizontal space that's available, it also is dealing with the vertical space, and the issues at each of the facilities.

So we thought it could be a quick 90-day study, it turns out to be a little bit more complicated, and maybe more complicated than - or the solutions may be more complicated than the committee can come up with.

We may think about hiring an outside consultant to do that, that's one of the potential - so I don't know how - Alicia or Doris, anything you want to add to the - because both of you have been involved in this process.

Dwyer:

Well, I met with Jim for quite a while on Tuesday, two and a half hours, and we went through his very informative spreadsheet, line by line, and the notes are particularly important on his spreadsheet, because they address a lot of the issues that were raised by Board members at our last meeting.

And then you know there - Alicia expanded on many of those points in her report. But I was particularly concerned at this point, you know it's almost been a year. We talked about that, it was January that we examined all the facilities. So I'm planning on going out there again in January and see the progress.

But I was particularly concerned with the status of the galleries that were closed. So we spent a lot of time in there. Now, downstairs - I mean I was - you know it's just a real problem that the middle gallery on the first floor is closed.

And I mean it kind of looks okay. I mean they've got it covered okay, but they do you know, they're adopting this concept of you know the treasures room, kind of like the British museum. And they've got a nice display, it's suitable for tours already. They've given some tours already, and they're planning on giving some more. They're by arrangement.

But they are planning a display in the front with selected materials and they're discussing the possibility of putting a window in, although I thought the space, I thought it was kind of far removed from the - and I'm not sure how well that's going to work.

But anyway they are turning that into a teaching opportunity, so in a sense they are exhibiting in that room. You know they're making lemonade out of lemons. So it's pretty nicely displayed, I mean it's suitable for public tourists at this point.

Upstairs there's two galleries plus some office space I guess you would call it office space, but the two public galleries that have closed, not the far south one, but the one next to it, all of the taxidermy items are in there. They have been taken away from Indian Hills and down in the basement, they're all there. They are planning on opening that to the public.

Everything is or will soon be, enclosed, so there's no surveillance cameras, but they won't need them. The problem with that is that there's no interpretation, you know everything is labeled, but those are very sentimental things for people that have grown up with the museum, you know,

people in the Carson City area.

So that will be open to the public fairly soon. The very south gallery is strictly storage, and they are still working on that, and they did get - they did get some shelving. Now I was under the impression it was surplus.

Barton: It is surplus.

Dwyer: Yes, and so you know they're pretty happy with that shelving. And it's increased their vertical space. And they still are moving things from Indian Hills, but our conversation about NDOT, everything except things considered for deaccession will be out of NDOT.

The only thing - the things they're putting in there are things that are considering for deaccession. And so they had an estimate of probably by the first half of 2016, sometime in the first half of 2016, that process will be complete.

And the removal the Reed papers you know opened up some space, but I would encourage you to read the notes, and they're reiterated in Alicia's report, because we discussed some of these issues, and that's really how the museums are answering our concerns, especially with [inaudible 00:23:24].

Stoldal: Alicia any thoughts?

Barber: Yes, Alicia Barber, yes. I think he was really good at explaining the importance of working with BLM, the importance of those collections that are being deposited, you know the fact that is money that comes with it, you know so I mean I feel like that's a partnership that needs to be continued, you know, and that is an avenue for funding as well.

We were sort of at the beginning of this thinking about what are the short-term solutions - what are some short-term solutions, what are some long-term solutions. I mean they're doing the short-term solutions. It seems that - I mean it's sort of mind boggling that we have to close public galleries in one of the State museums, just for storage.

I mean I just can't believe we're at that point, but they're doing you know as good a job as they can, but I feel like it's our job to really start to explain this urgency, you know I mean I don't think - it doesn't have a big public face, that urgency.

So I feel like our role is to try to make this clear. Now, of course you want to do that without criticizing people who are part of the solution, you know. But it's just an extreme case, you know.

So I am very interested in trying to figure out what are these solutions going to be. And long-term solutions need to you know, we need to be moving urgently to solve the problems, because they're going to take a long time to solve you know. And whether or not they involve the construction of new facilities or the use of existing facilities.

But it's very eye-opening, you know, it's been very, very eye-opening.

Stoldal: Questions.

Schorr: Seth Schorr for the record. I do have a question. Is it even an option to collaborate with an

accredited museum like the Las Vegas Natural History Museum, which is moving into a larger building, and does store artifacts similar to the ones that we're discussing as a long-term plan, as they're building their future buildings?

Stoldal: Well, they are in some ways a startup. In the past, up until recently they were sort of a collection of odd things. For example, they've got the Lexor so there's an Egyptian façade kind of - a portion of it and there are some other elements to it, that the Natural History part of it is kind of shying - it's just sort of more of the history. Then they saw this as an opportunity to take this Harry Reid Center collection, then they had to ask right away for some money from the City of Las Vegas, \$100,000 because they didn't have the cabinets or the equipment.

I'm not sure that they're ready for, we're ready to that. And then second or thirdly, the Park Service is constructing its own facility in Boulder City. Boulder City, that's my understanding that they are building or converting and you also, as you get into this, you find that there is a hierarchy and a relationship between the BLM and the Park Service.

The Park Service consider themselves having a higher level - a standard of preserving than BLM does and that's sort of an inter-agency battle. But the Park Service is doing that. And then as you look even longer term, as we were talking, is with the Tule Springs facility.

Their plan is to have a significant area out there for - not for storage, but for curation of all this material. A lot of the material from southern Nevada, over the years has gone to San Bernardino, a Federal facility there.

Some of that recently came back to us and is stored here, which is a whole another issue, a whole another story. So there is no one peg that is going to fit all these square holes, other than money and space.

I also have a slightly different take on our relationship with BLM. They are good partners. They have given us money. But I've got a big question on the relationship of what we do with the money, how long - do we have a deal with the devil that we're going to keep this material. We're responsible for it, for the rest of our lives.

The State of Nevada - is the State of Nevada now, are we signed up to keep this and we're going to have to keep building the space, and I think we have to maintain this very positive relationship with BLM, because they've been very good to us in a lot of ways.

But I think we have to change that whole dynamics. If you look at the contracts and we've been digging up all the contracts, there's some opportunities for improvement in there, and a change in our relationship, Renee.

Diamond: Renee Diamond for the record. The dilemma over the years has also been that because of lack of personnel, we don't have as clear an idea of what we have. We have some very clear things, i.e., get a real good sense of it when you read the Historical Society reports how labor intensive and difficult it is to catalog things now, even with scanners and computers.

Well, over the years, the wagons, the pianos, the small things, you know, I go to a flea market and find ten railroad magazines, those kinds of things, buy them and give them to the Railroad Museum. Some more recently we've been good at it, but historically, we have not.

So our dilemma is that although we have anecdotal information about how much space we need,

and how much we're lacking, even that isn't exact. I mean I think in a nice kind of way, Sherry has been more optimistic than I would be, if I had to make a guess.

So the question is can we leap ahead and say what we're going to need, when we don't have a totally clear picture about what we're missing. Now, we don't have a technically clear picture.

Stoldal: And that's another key point. That's one of the challenges is in inventory, and going to Lost City, they kind of know what they have, there are some records. There are different records that are kept by different people over different times.

I think you're right. But we have to have concurrent plans. Maybe we have to fund an inventory system, create a brand new updated system and hire people to - because the staff, one of the challenges - I think Alicia you said is that the staff just couldn't stop everything, because we don't have that big of a staff and go fix NDOT. It takes time because they're doing their regular job along with all these other things. Pete?

Dube: Okay, can I just seek clarification on the BLM issue, the artifacts that BLM is asking us to store are artifacts that come from our state.

Stoldal: Yes.

Dube: So as they build highways and everything, so we do have an interest in preserving those artifacts?

Stoldal: Well, the answer is yes and no. The word "artifact" is not like there's a Tule duck.

Dube: Okay.

Stoldal: It could be by definition, it could be dirt, maybe old dirt, maybe there's a better term that we could use Peter, what would be a better...

Diamond: Organic material.

Barton: We generally call those lithic specimens.

Stoldal: That's the word I was looking for.

Dube: Lithics I mean what do we...

Barton: Peter Barton for the record. The BLM materials are not the same sort of things that a museum would go out and actively collect for the most part. They're judged important by the archeologists who are hired by BLM or by private contractors who have to do archeological mitigation before a project can proceed.

It runs the gamut from ceramic shards to lithic specimens. It consumes a lot of space, there's no question about that. I think that the Chair is on target to say that we really need a clear definition of what our responsibility is to those, to BLM and these materials.

I don't believe we tied to a perpetual relationship by virtue of storing them now. I think that precedent has been set when the Harry Reid Center and materials moved and now they're moving again to the Natural History museum, which in a way Seth is - that partnership is already helping us. We moved roughly 800 cubic feet of material from Indian Hills to the Las Vegas Museum to

free up additional space at Indian Hills for collection.

So in a way we're in partnerships, but I think exploring vibrant partnerships with other museums and collecting institutions in the State, whether they're State Museums or not is something that's got to be serious explored, because it opens the door to different funding streams and a much broader funding base to create perhaps a statewide curatorial center.

Schorr: Seth Schorr for the record. If I might add and you know Mr. Chairman, I definitely understand the entrepreneurial nature of that specific organization, and I'm on the Board of the Las Vegas [inaudible 00:34:13] museum, we're embarking on a major capital campaign. It's very ambitious, it will take a very long time, whereas we're talking about our ten-year plan, this is something that is worth knowing about and seeing if there are synergies.

Barton: Yes.

Schorr: I don't know if there.

Barton: Well, I would hope there are.

Timmons: Mr. Chairman, I need to disclose my - I have a partnership or a relationship with the BLM. In full disclosure, I'm being considered for the Southern Nevada Resource Advisory Council for the BLM, the rack, so I need to disclose that potentially down the road.

Stoldal: We don't - our relationship with the BLM, especially the one that Jim and Gene [Natore] have developed over the years is really positive.

I mean this is - it's not - BLM has a significant challenge and we've been able to be part of resolving that, but we now on a lithic spot and a hard place.

[Laughter]

Barton: Between a lithic spot.

Stoldal: Renee.

Diamond: Renee Diamond for the record. Also, for the newer members, and for ourselves, we really need to have a review of the deaccessioning policy. Deaccessioning is a slippery slope for every institution that I know of, you know. Do you let go of Grandma's stuffed something? We've always wondered, and because we haven't had a good idea of how much we've had, we're also worried, are we getting rid of the thing we only have one of, or the thing we have ten of.

So I see this whole thing as a process and a giant circle. Without a good inventory of what we have, no matter how we got it, if we can show the lineage fine, we can't then decide do we have too much of it. And we can't give it to responsible places that - or deaccession it, and then we can't look to the future as to how much we're going to need within a very few years.

We know it's crowd and mad, but I think we have to also - and I'm not a big believer that you have to do one thing at a time. I'm a big believer in multi-tasking. And so we have to figure out how much multi-tasking will cost us, because we can't - our own personnel are as overloaded as possible that they've taken on what they've taken on in kind of doing this is just really impressive to me.

And I know people that work for the Museum did not sign up to be cleaning up bird poop. I just can guess that.

Stoldal: That's up to us.

Diamond: Yes, well, you know mothers don't think as much about poop as other people do, we've done it. But the point I'm making is, we are I think going to have to start thinking about it in terms of our responsibility and private funds.

I think we have to be careful that we don't pay for things that - and studies that - and cataloging that we can get done with our own personnel, but I think we may have to start looking at that direction too.

Stoldal: So the plan - the next step is two things - three things. One is you all have received a copy of the latest documentation that we've received and some narrative out of that documentation.

If you could read it over, digest it, send any questions about what we may need to look into further, or something that maybe is not clear. Because is really the second set of - this is an updated report, so there may have been some answers in the first one that we sort of bypassed in the second one.

Any questions, any comments, any thoughts about how to move forward, please them to Peter, we're still covered - this committee is covered by the open meeting law, so we can't be having discussions between us, but you can send all that material to Peter.

And then yesterday we decided that we're going to have offset meeting in February. I think the second week or the third week, whatever that was, and then we're also meeting in March for our regular Board meeting, that this topic in some form may come up, either in the sense of what are the things we would need to find or a building that we would put on a list. So this may come up at our February meeting. So when you're looking at the agenda topics that Peter and Bob Ostrovsky put together.

Your second charge is to look at those agenda items and send some of those thoughts to Peter as well in the next four or five days, so we can get an agenda developed for our February meeting. And if you think we need to talk about this at the February meeting in some form or another go ahead and let Peter know that.

Then the third point that I had was Peter is there, did we just make up a profession or if there somebody that we could hire a company that could come in and do an inventory?

Barton: Peter Barton for the record. Off the top of my head, I don't know of one who would, but there are cultural resource firms out there who I'm sure we could ask that question of.

Stoldal: See, I don't know if there's anybody within our system that we can just break away an entire team to look at Nevada Historical Society has those challenges as well as Lost City. I talked to Dennis McBride yesterday, and he had - this is a new facility, and when they moved over from the old facility their inventory is more or less up to date, but I don't know if it's the same software that we're using wherever and what seemed to the responder that Renee is saying.

One the same software, the same collection, the same management of our inventory, that's a lot

of work just at the Indian Hills to get our side of it, not the [inaudible 00:41:31] side of it, so I don't know whether we need a motion, or whether we can administer - ask you to look at that, and see if there is somebody that could - so we can at least start that process to know what have, as we move forward to decide how we're going to deal with that. And that's my report.

Ostrovsky: Mr. Chairman, can I ask Peter a question. This is Bob Ostrovsky. Is the BLM still asking us to store new material? Where are we at today with that?

Barton: For the record, Peter Barton. We continue to get materials from BLM and their contractors. So as we recently moved 800 cubic feet of Harry Reid material, or Las Vegas, southern Nevada material back, the Ruby Pipeline material just hit and there are several hundred cubic feet. That's from a private contractor responding to a requirement of BLM.

So it's not coming directly from BLM, but it's as a result of BLM requirements.

Ostrovsky: Bob Ostrovsky, the follow up question is I guess, are we doing anything about - are we just doing under an existing contract...

Barton: Correct.

Ostrovsky: Doing anything about trying to renegotiate...

Barton: We're in I believe year two of a five-year agreement.

Speaker: Yes.

Barton: With BLM. But we can - we can have that conversation at any time and you know it may be to start just by having - asking an AGO to take a look at this contract and give us some guidance perhaps on how it might be - where there might be opportunities to improve it.

Ostrovsky: I guess my concern, this is Bob Ostrovsky, and it is eventually we're going to build I 11 or whatever. I mean every time they - we haven't built a major freeway in a long time. The minute they start doing that...

Ostrovsky: We're going to be asked to store a lot of new material.

Barton: It might be beneficial Mr. Chair, and I don't know how many of you who have seen it, I don't recall at this point whether we sent it on, but there was - in 2008 the National Park Service led a multi-federal and state agency task force that looked at this issue nationwide. Because it's not unique to Nevada. It is a nationwide issue.

And they came out with an extensive report that said this is a critical issue for every state, this growing cultural resource collections. Not much has changed in the last six years since that report was issued but it would be I think beneficial for you all to - Deb, did I forward that report to you?

Speaker: I don't remember.

Stoldal: It's a real eye-opener, I mean really...

Barton: Yes, I will do it again because I think there's some things to be learned that are useful from that

document. Our vision, my vision, Jim's vision I think I can speak for him, I don't know if he's on the phone has been that part of the solution is a partnership with BLM, that doesn't just pay us incrementally for storing material and making small improvements, whether that's buying shelving, whatever, that the partnership has got to grow to some significant capital partnership funds to work with the State to create more facilities.

But it's - as you know, from the State's perspective, building a warehouse to store rocks is a tough sell, and that's the way they're going to look at it. And that's - you know we're up against the system of higher education, public safety, health and human services.

I don't see where it's going to happen in my lifetime frankly, unless we bring significant money to the table.

Stoldal: Pete and Alicia.

Dube: How big is [inaudible 00:45:13].

[Laughter]

Dube: I just want to complement the committee on this - all the work. I mean this has been, it's a little overwhelming. I'm actually trying to process it all and trying to figure out what the next step is, knowing it's got a big dollar sign attached to it. But thank you guys. That was amazing work.

Stoldal: Alicia.

Barber: Yes, Alicia Barber, Sarah probably would know this, but what's the BLM's policy regarding how long, and do they ever de-accession things? Do they say it's been 20 years, no one's ever looked at this stuff. I mean do they have a policy of ever...

Stoldal: That's part of the - part of the 2008 report is one of the recommendations was that the BLM aggressively look at this issue of de-accession. That was in 2008.

Barber: If they evaluate their own collections, yes When they come back.

Stoldal: '09, '10, '11, '12, '13, '14, '15 nothing has been done to change the de-accession policy of BLM. But that's really one of the issues. I don't know if we can push that...

Barber: Well, just be part of the conversation, I mean it sounds like it's kind of like, we meet with BLM part - I mean you know - Peter I know you're talking to these people all the time.

But it's just one of those questions, especially if there are contractors who do this work that BLM you know policy mandates, and so you've got all this stuff, and then does anyone from BLM, I mean you know does anyone from BLM or someone you know really qualified kind of eventually go back to it, and just say okay, I'm going to look at these boxes and make an evaluation of whether it's something to keep.

I just don't know if that's ever anything that they do, or it's just like done and done, and it will be safe forever. It just seems you know it's like everybody should be evaluating collections.

Stoldal: They're faced with the same issues that we are, and that's also staffing. And all issues that we face [inaudible 00:47:02] because they don't have the staff, so therefore rather than de-accession,

they're working on other things. At least, that's a snapshot that I've got from...

Barber: But is it even part of their process, you know like it's part of our process, and we do it as you know time allows, but does BLM, do they ever even evaluate.

Stoldal: Peter I can't answer the question.

Timmons: Mr. Chairman?

Barber: I'm just curious.

Timmons: I can say just from my experience at Red Rock, they have mining claims that are on almost tissue paper up in the rafters of the Red Rock Visitor's Center that we're working on digitizing and trying to get to a point where we can de-assess some of that material.

But yes, there's not - as far as I know of with the archeologists, there's no active policy on it. And this member Timmons for the record.

Barber: Thanks.

Timmons: Sorry.

Stoldal: Is there something we can recommend though that we need to - to deal with this, the BLM issue within what we can take action. I mean we can - at this point, the Board can say to Peter, to Jim, effective immediately, we want to see a way to get out of the BLM contract and we're not going to take any more - I'm making this up, but we need somebody to look at - on our relationship, go back to Renee's thing.

We'll look at the inventory. We'll look at capital expenditure at our February meeting. Is there anything else we could do right now concurrently or do we wait with the BLM thing until some later date. Renee?

Diamond: Well, I don't think we should wait. My opinion is that we should be - which makes it for Peter, stretch to more than thin, concurrently be doing the BLM thing.

The little fingers in the dike kind of thing that we can do on the question, on the breakdown of the storage, we can look at the issues of are vertical racks an option, and in two or three institutions, they have little bits of spaces, where vertical racks would help, that's like to me a no-brainer.

How do you get vertical racks? Are there surplus vertical racks and we're down from there to paying for them. It seems to be that that's what we should be doing for every institution that has the space for vertical racks. But I think we need to open up some discussions, and I don't know that they'll be fruitful, and I think they're probably having the same angst over it, if you say a report was written seven years ago, and then nothing's been done. So I don't think it's going to be a long and fruitful conversation, but I think we have to remind them that we're still stuck with the results of not having a solution. Not that they don't know.

Timmons: Mr. Chairman, member Timmons for the record. I have a question for you. Do each one of the museums have collection priorities? Are they actually written down, like we are trying to - we want to obtain this material, but this type of material we don't want.

Stoldal: The answer is - is sort of.

Timmons: Okay.

Stoldal: With a TA at the end, kind of - they have collection policies which we gathered up, but they aren't quite as specific saying we're going to collect material from the 1870s to the 2000s or whatever. Or we're just going to collect mining, it's not that specific. Peter - I mean the railroads obvious, but even theirs.

Barton: Yes, for the record, Peter Barton. Each museum has a collecting plan which establishes priorities.

Timmons: Okay.

Barton: Some of them haven't been reviewed in recent history. The Historical Society hasn't been looked at since 2004, they're undertaking that review, we're doing that here, because accreditation is up next year, and it's one of the boxes that has to be checked.

Railroad museums probably have the best, because it's a little bit simpler for the railroad museum to state one, we're collecting things related to the railroad, and number two, they're going to be related to Nevada.

But those policies and plans do exist. The Nevada State Museums has a top notch collecting plan, and they follow it rigorously. Each institution has a collecting committee so that - unless it's something minor, the collection committees meet before they make a determination on whether to take something.

Sometimes those practices don't work as well as we'd like, as witnessed yesterday by a donation that came to the Railroad Museum. But the processes are in there and generally followed.

So we have, we're doing a much better job of not taking everything that comes to the door, and sometimes that's a real challenge to turn away collections, it requires a fine touch and some public relation skills, so that you don't end up on the front page of the newspaper or risk alienating some large donors.

And we've got a sensitive situation right now in one arena to that.

Stoldal: There's also as we found out that we've become to a certain degree the basement or the attic storage area for other places. I think in the Historical Society, we - a couple of the civic organizations have sent over their old records they did give to us, we're just storing them for them.

And I know you mentioned yesterday the possibility of once you're done digitizing the materials at Red Rock because you don't have any room there, could we store them here.

Timmons: Yes.

Stoldal: You know maybe we need to develop a policy that we stop becoming the attic and the storage area for these folks. In some cases, they are important records of some of the civic organizations from the turn of the century, but do we want to get into the business of just accepting stuff?

So let me kind of go back, we've got - I know as you've mentioned Dennis is working on

updating the collection, storage plans, I think that needs to be a priority that the Commission, this group see the latest - all of the museums update their collection policy claims.

You're going to look at somebody to do a system-wide inventory, bring that up to date. Do we need to have - give the two of you, or maybe some additional - start looking out relationship with BLM? What's the next step? Is that something this Board should - I'll throw that out because the two of you obviously have some insight where that - with talking with Jim and so forth.

Barber: A little I mean I think that - this is Alicia Barber, Sarah Cowie had you know has - she works more with that, you know we can talk to her a little bit about that too, and she is on the Committee also, as an archeologist, she's got more familiarity.

I don't have a great deal of familiarity really except for the side from what [inaudible 00:55:08] has been telling us here, how much there is or whatever, I mean to me that seems like a very high level conversation that needs to be had to - I just want to understand a little bit more the BLM relationship and their policies and such.

So I don't know how much further we can go with the information that we have access to to learn more about the BLM situation. I don't know. What do you think Peter?

All right, you know researching more about what's done at other places, is that something we can do?

Stoldal: Well, there's some loose ends as - nobody is trying to violate or lie, cheat, or steal, or nobody is not working 24 hours and seven days a week to face this problem within the - within the staff. We all know they're working - they're working very hard.

One of the things I was surprised with was all these contracts that we have with the BLM are internal. They don't go through the examiner's - Board of Examiners like a lot of other contracts do. These sort of fit a narrow slot - and I think we've received an opinion from the AG's office, somebody, the budget office.

Barton: For the record, Peter Barton. The BLM agreement is not a contract or a grant. It is a cooperative agreement. That has been interpreted by the Executive Branch to be a non-BOE, non-IFC item that can fall under our NRS as defined - which defines State money versus private money - as private money.

I'm certainly not going to go out and challenge that opinion. The agreement itself, I guess it would be helpful to have a little better or clearer sense of what do we want, I mean what are we looking for?

Are we looking for an escape clause, is that what we're really seeking? What is it that - I mean I'm sure it can be crafted more better, I mean it could be word smithed, but really what is it that - what are we looking for?

Stoldal: And to understand that since it's private money, all these contracts have come through this Board, and we will prove that all the amendments and all the changes they have come through as recently as I think two meetings ago, we updated that.

There was an additional funding of \$77,000 or something like that.

Barton: Didn't we just get another...

Stoldal: But I don't - so Pete.

Dube: Well, I guess what we want, I mean knowing the reality of the State's CIP process, and in fact we're probably not going to get a 15 million dollar storage facility built, if we had told BLM come get your stuff, does that take care of our storage and collections problem...

Barton: Peter Barton for the record, I mean it does not - this is a much. We've honed in on BLM, because it's a big issue in one institution. It's not going to solve the system problem of chronic storage or lack thereof.

Dube: So I guess - Pete Dube for the record. So how much - if we did get rid of it, how does that help us at all?

Stoldal: Well, I mean - hypothetically it would open up a tremendous amount of space, but the reality of that taking place is probably slim, I mean just out of a whole variety of - we do have an agreement with them. We've accepted their money. Along with that, there is probably some strings, I don't think they're ropes but they're some strings there that tie us together. I guess it's just something, if we don't look - if this Board doesn't look at how the next step of our relationship with the BLM, who is going to do that? I don't know is that [inaudible 00:59:22] - if it's Jim, his response is that we should really get into bed with the BLM and build a joint facility.

Barton: Sorry, power is dropping on that.

Stoldal: Who's online with us?

Barton: No one.

Stoldal: Oh, but it's...

Speaker: But they said it was two.

Barton: Yes, but they count yourself and the post. It's a crazy thing in their software.

Stoldal: So you're the two on the line?

Barton: Yes.

Stoldal: Okay.

Barber: Okay, it's Alicia Barber, so I mean I'm happy to look into things, research things. I mean if that's something that you know if there's a list of questions that we want to try to figure out. I mean is it - we know how much space is being taken up by the [inaudible 01:00:19] materials now. Are we talking about - do we want to look at the...

[Conference call operator] [Laughter]

Barber: You know do we want to look at modifying what happens from this point forward, if there would be a different arrangement. I mean I guess I'm happy to do any kind of analysis that - if that isn't really happening anywhere else, I mean I'm happy to do that, if that's what our Board would be

doing is trying to research, I mean do you want us talking to people with the BLM? I feel like we're doing a lot of - we're talking about the BLM.

Stoldal: Right.

Barber: I don't know - you know it's like I want to go to the source and talk to the BLM and hear the BLM's side. You know is that something that our Board members do? Or is that really an administrative role? I mean we really are just a volunteer advisory board.

So I don't know. I'm happy to help collect that information, I feel like that's what we need a little bit. I think we're talking a lot about the BLM, you know and I guess I just want to get it from the source itself. I don't know if that's something we should be doing.

Barton: And for the record, Peter Barton, and of course it extends beyond BLM. We do have material from...

Barber: Right, exactly. All the [inaudible 01:01:29] partners, there's plenty of other partners...

Barton: From Forrest Service, Fish and Wildlife. So it's a larger issue. And we've had this - we've had very frank conversations directly with the BLM's northern director for archeology, Dr. Brian Hockett, and we've had him at the table last year, as you may recall, BLM agreed to allocate some of their annual funding, roughly \$100,000 to match State money to do the planning for expansion at Indian Hills.

In my experience every time you go in front of Public Works with some partner's money, you do go to the head of the list. This project failed to do that last year, which still shocks me. So it didn't get funded, the State did not contribute to that. I think it was a communication issue within Public Works that caused their - or precipitated that failure.

Will we go back to the next session with that again? I think we will just to continue at least demonstrating that we've recognized this problem, we've been asking for participation for a solution. Again, the state allocated precious money from that \$50 million capital improvement program, that's up against the HVAC going out, and DMV in Las Vegas, and what a crisis that would be, we're a long way from assurance still that we'd be funded even for planning, because historically, if you plan it in this biennium you are saying we're going to build it in the next biennium they don't want to commit those funds in the out years.

We talked to BLM about you know this may be - we don't need \$100,000 two years from now, we need five million, maybe 10 million. And they were frank about the challenges of having that happen at the Federal level, because it sets a precedent in their world, that you know since this is a national problem, every state is going to have their hand up then, or all the BLM directors in the various states and regions will be seeking that same allocation.

I don't know that - I mean they're certainly a part of the solution, they're part of the problem in at least one or two instances, and they need to be part of the solution. And they've not said they would not. They're eager to do that, but they face the same critical challenges that we do in terms of finding the big sources of money.

That's why I think part of the exploration needs to look at the - is it a broader situation where we engage the Mob Museum, the Atomic Testing Museum? Every museum faces a challenge of where do they store material, or virtually every museum at least.

And see is there a state-wide solution that by bringing that large constituency to the table brings a larger potential funding constituency to the table.

Stoldal: And there is the draconian spotlight, and that's saying no, we're not going to take any more BLM or whatever Federal agency and therefore the next step is what are they going to do with all the material, if they can't find room for it, does that stop the next solar plan? Does that stop the next highway that's going to be going from Reno to Las Vegas?

So then all of a sudden they cast a spotlight on the challenge and if development stops, maybe there will be some money that well let's go ahead and build this five million dollar storage thing.

Barton: And I'll say - I'm sorry, if I may for the record, again, Peter Barton, that you know we're having a very positive dialogue with Public Works about finding a solution for this.

State building and grounds has toured me through several unused State buildings in Carson City. Unfortunately, none of them are suitable for our collections. We're now exploring as the Stewart living legacy project progresses, and the stabilization and rehabilitation of some buildings there that might not have an immediate interpretive use, could potentially provide a better storage - better storage conditions than we're seeing at NDOT, and frankly at Indian Hills.

So there's possibility and it's very early in the conversations that we'll participate with Public Works on an initiative to restore one of the historic buildings at Stewart for use, for collection storage, so that we would build in the appropriate environmental controls.

It's early in the game, there's a lot of moving parts, but that's the kind of thinking that we're doing now is the State does have an inventory of buildings they're not using. Can we find one that either suits now or that can at relatively modest cost be modified to suit our needs.

Barber: That's fantastic, I'm sorry, go ahead, Renee.

Diamond: Renee Diamond for the record. I think talking to BLM is a little ahead of ourselves. I don't - I think we're just beginning to get a quantified vision of what we're would talk about, if we talk to them, but I've never seen in all my years, yes, we've passed lots of contracts, amendments, and new contracts and the changes in the dollar value, been happy to take their money, but I've never seen a comprehensive document that says what has been our relationship to BLM all these years.

And the way they did with the historic registry, I've never seen in a comprehensive way when have we signed these contracts, and for what. So that I'm not clear what we're paying - getting paid for it, and I'm not - and then I've never seen any kind of study in our policies about which we're talking about, do we really want to continue to be part of this, and we've never undertaken the long range cost of keeping all this as Jim Barrimore put it very succinctly and very well.

We took their money. We used it for things, you know we can show where we used it over the years, but we didn't use it maintain the storage facility, and we didn't close the holes from the birds.

So I think before we start talking to BLM, we have to have some real clear picture as Board members what we've gotten ourselves into over the years and year, how extensive it is, and then undertake some question from the - you know discussion from the Board what do we want to do about it?

Do we want to just shut up and take it or do we want to put up and shut up?

Stoldal: I'd suggest a couple things. I keep throwing - it's probably because you're sitting at that end of the table, three things and when we say BLM, I think we're talking generically about the federal agencies that we have material from whether it's DOE, Indian Hills or the material we have here in Las Vegas is from Park Service or...

Barton: We are holding Park Service materials here right now, National Park Service.

Stoldal: Is that - maybe what we can do is get the most recent agreement we have with the BLM, I think that the agreement is, as Peter said is five years old, or it is a five-year period, but I think we may be a couple years into that with some amendments that may have extended it...

Barton: No, we're in year two.

Edlefsen: Yes, the term has not been extended...

Barton: But there have been amendments.

Edlefsen: The amount has been increased.

Stoldal: Okay. If maybe that - you guys would just take a look at that contract and just come up with narrative of what questions we may have to ask as far as what's our long term, and I think maybe we do have to just have a conversation with the BLM. What their expectation is of the material that we already have, and also ask the question, is there a big load coming down pike.

I mean are we over the next three years, do they anticipate because of all the potential construction how much material they would anticipate being either through private contractors. And the private contractors - we're taking that material because of the BLM agreement?

Barton: Um-hmm.

Stoldal: We don't have separate agreements with the private contractors?

Barton: They do but...

Speaker: It's tied to the BLM regulations.

Barton: It's tied to the BLM regulation, but there agreements with each of these entities that...

Stoldal: Having looked at one of the budgets between that private agency is charged with going out curating the site where roads are going to be gathering material up. I've looked at all the budgets and it lists everything that's in there, except it doesn't say there's nothing in the budget that these private companies give to the BLM that talks about the money that is - where the material is going to go.

It's almost as automatically they're assuming that it's for free, it comes to the State and we're going to take care of it. One of the ideas that I thought was the BLM should - the budget should include any budget or private company that is a BLM, we're going to do whatever you need us to do on these public lands, and its [inaudible 01:12:06] of the solar power plant that a line item

needs to be in there that pays us the fee to store the materials. So I think there's some opportunities...

Edlefsen: Carrie Edlefsen for the record. They do pay us.

Stoldal: A one-time fee.

Barton: Correct.

Edlefsen: That is true. It is a one-time fee and it is...

Stoldal: And I'm thinking of an annual fee.

Edlefsen: But it is based on the - the 540...

Stoldal: The 540 per cubic. One of the things that the 2008 document that Peter was referring to is facilities that currently store this material around the country, some are charging an annual fee to the Federal government, an annual rental, an annual storage fee.

They still have a good relationship, but BLM or whatever the agency is, you need to pay us, because we've got electricity rates that going up. We've got all kinds of different things. I think it's one of the things that we need to explore.

Barton: As a matter of - Peter Barton for the record. As a matter of public policy, I couldn't agree more. I mean if we're - we have historically and most states do follow this model, they set a one-time fee, and that's all they ever get for it, and in return they get a - what a deal, I mean they get perpetual care for whatever that collection is.

I'm surprised that you know that question hasn't been raised somewhere along the line as why is the State continuing to bear the cost, the ongoing costs for materials that we're holding for others, and for other agencies. I think it's a question in the public arena that I'm surprised has not been asked.

Stoldal: The report's wonderful. It goes back to 1968 when some new laws were passed to protect public lands and historical and archeological things. And all the universities and museums were excited to be the recipients of all these artifacts, and material. But that excitement has ebbed as rooms have filled up with these boxes and nobody is going in there and using them for anything else, other than storage.

So if you get a chance make sure that we get the report out to everybody, and it's maybe 67 pages.

Barber: Alicia Barber, and I think that's good, examine that, look at that, look at that fee structure, and then I just want to echo what Renee was saying too.

Because I think at the same time, I mean I'm very concerned about getting our own house in order also. And this inventory question and you know collecting policies, and I'd really like to look at what can we do, and what do we have complete control of...

Stoldal: Right.

Barber: And examine that, and then you know the other side of it too is what Jim's report made really clear, is that even the existing facilities we have that are our best facilities in most cases aren't actually up to par. Like they are substandard also.

So in many ways just you know getting rid of BLM from Indian Hills, like and putting our stuff in there, doesn't solve the problem because there's not climate control. You know like there's all sorts of issues with that.

So what I'd like to see is an analysis looking at what everybody gave us, but what do we really need to bring everything up to the standards, you know could more stuff go in Indian Hills and that's good enough for some things, or if we really need climate control you know, there's a lot of things, temperature, you know control. Like is that facility - can that facility itself be upgraded in any way? Do we need new facilities?

I mean that's what I want to know is sort of an analysis of how much of the material needs what kind of facility because it isn't just get rid of that stuff and then we're happy, happy.

You know and so I - I guess you know I'd like to look at that more, because it brought up a lot. I didn't realize that so much of what we consider good, you know like what's in the basement storage space in an out of state museum. That is not ideal storage, you know for these [inaudible 01:15:59] there's flooding issues, you know there's size, there's climate control there too.

So I guess I really want to look at that you know. I mean I feel like I want to look at what if we analyzed what we actually do need for all of our collections to bring them up, what would that look like, you know is that saying like hey you know what we need to have a completely new building that does all this, and that solves our problem.

Or if you want things that are closer to the museums or do you want something that's really far away. How close do these collections need to be to the museum itself? Do we need to like take a hotel casino in downtown Carson City, so they're right near the museum, I don't know.

Stoldal: At Indian Hills - our stuff at Indian Hills?

Barber: Yes.

Stoldal: I don't think anybody's looked at that, or used that material, I mean part of it - 25 percent of it real rock.

Barber: Are you talking about the Federal collections?

Stoldal: No, art collection.

Barber: Oh art collections.

Stoldal: The art collection on the west side. It didn't look like anything had been in there, the railroad guys when they came by, they hadn't seen them, the material that was in Indian Hills, so a lot of it hasn't been used.

I mean so it doesn't necessarily, to answer the - a short part of your question, it doesn't necessarily need to be right next door or on the site.

Barber: Yes.

Stoldal: So I mean everything - well let's I mean we could go on and try to resolve this today.

Barber: Just one more thing, because I think - I mean this idea of doing bit by bit, you know this little incremental thing that you're talking about, finding little spaces where some stuff can go you know, and if the question is if some things can be stored at Stewart Indian School, can there be an evaluation of what in our collections relates directly to Stewart Indian School or could help tell that story and those are the things that would go there.

Barton: In that - and for the record, Peter Barton, that's actually - we're pretty close to that, the Stewart collection is pretty much unique and distinct.

Barber: Yes, that's great.

Stoldal: And that's at Indian Hills.

Barton: It is.

Barber: Can we have - you know should we be considering having satellite collection displays all over the place to generate more interest in museum objects in you know high security good locations that actually both increases, enhances people awareness of the State collections and actually get some stuff out of these storage and [inaudible 01:18:16] used.

And that could be private partners you know other types of museums, I don't know. I mean is that something to explore, I think that would be fantastic to get more awareness.

Barton: Could I just - I'm sorry, I'm sorry to interrupt, but we did lose this connection, so I need to apologize. I've got to do this.

Ostrovsky: Mr. Chair, maybe you want to take a five-minute break while he does the phone thing.

Barton: We could do that, if that's...

Stoldal: Yes, sounds - okay, so now either 11:18 or 10:18.

Ostrovsky: 10:18, I just want to use the restroom.

Stoldal: So how about we come back at 10:30.

[A short break was taken.]

Timmons: Have you sat down with these guys? Have they asked? Have they kind of gave us any idea of what sort of return they expect next year.

Ostrovsky: No, we do that annually and then we do it at the end of the year, well next meeting I think.

Barton: It should have been for this meeting, but they transitioned their staff.

Ostrovsky: We transitioned to a new advisor. We made some significant changes last year.

Ostrovsky: It looks like we're getting into flat this year, but we'll have to see what happens next year.

Ostrovsky: It's flat - our numbers appear to be flat, which is okay.

[Crosstalk]

Stoldal: I'd like to call back to order the...

[Crosstalk]

Stoldal: The Board of Museums and History. We are at the end of our discussion. So I think there are - to pick up what Renee was saying to do several things concurrently.

And one of them would be the review of - by all the Board members of the documents, and the reports that Peter sent out, and take a look at those documents and send your questions or your comments, or you think the things that are priorities to Peter, and then he can put those together and send them out to our committee members.

If you'd like to join the committee, please let Peter know that as well. Peter is going to send out when they're available and hopefully that could be soon. The latest updated version of the collection policies of all of the facilities. As mentioned, Dennis is getting ready for the accreditation here so he's updating, the staff is updating that one.

I think several of the others have already been updated, but if we can get those to come out, and again it seems to fall on your back Peter.

The other one was inventory. If you can determine if there is somebody that accompanied - that does this sort of thing that would come in and [inaudible 00:01:53] look, and it's not something we're going to get for \$100. I mean it's likely to be very expensive, but I think before we really move on, we need to know what we have.

And then the last thing I've got as far as our discussion is that if you could send out to all the members the latest copy of our cooperative agreement with the BLM, it does specifically list things that they expect from us, for the money that we have given them. Some terms are a little bit generic, but there are some specifics in there.

So at least so everybody knows what our current relationship is, financial relationship is with the BLM.

Was there anything else that we need to sort of wrap this part of the conversation up? Anything else we needed to discuss or bring to the Board's attention. As you can tell it led to more than just the space issue. It led to all kinds of different - different opportunities that really affect the entire way we do things, but again hats off to the staff for addressing this issue and taking the time to fill out these reports.

I think they all realized in the long run, there's a benefit to get this done, to the Historical Society, and to Jim Barmore and his team for getting the NDOT thing cleaned up, and so we need to formally send a thank you to Public Works, would that - is there anything there that we could maybe a little note from the Board. We better leave to GU, but our thanks to Public Works for helping us with that [inaudible 00:03:51].

And then the last one is the de-accession. It's my understanding that the NDOT facility is now where we're just potentially de-accession from them.

Speaker: Potentially the de-accessed items, yes.

Stoldal: Is that - is that material just from the NDOT, because I know there was some material at Indian Hills that were looking at.

Speaker: They're moving up, they're moving things over from Indian Hills to NDOT, if they're being considered for de-accession, just for the museum [inaudible 00:04:23], yes.

Stoldal: Okay. Well, I think we ought to take a look at the Railroad Museum, I would take a look at what's there as well, because the one visit that I had with them, they said there's a lot of the stuff that just no longer has any connection to Nevada, nor does it apply.

So we'll have de-accession as - take a look at the State law by the way in that regard, it's policy on de-accession as far as the Board, it - no, well it's NRS - what the Board's role is for de-accession, what the policy of the system is that those things come before the Board, is that correct, Peter?

Barton: They do, all de-accession requests are brought to the Board.

Stoldal: To the Board okay. Anything else to wrap this up. Doris.

Dwyer: Nice job, Bob.

Stoldal: There's two other reports that are due here. One is from Dan Markoff on facility use, and one from Seth on membership, we'll put those off until our next meeting. And then we'll have more details on where they stand on that.

So then if we could let's go ahead and move to item 10(2), well that should be 10A, but that's all right, 10(2) Finance Bob Ostrovsky.

Ostrovsky: If you turn to that section in your meeting packet agenda item 10, you'll see the first section are the standard reports you see at every meeting, and this is the account balances, July, August and September of 2016.

You can see they haven't varied a whole lot during that period. I'll remind everyone if you look at the actual cash balances, money comes in and out of these accounts to run the stores, and do other things that we've authorized, so not when these numbers go up and down, it isn't necessarily investment, return or loss that's going up or down. We'll talk about that in a minute.

It's also money going in and out of these accounts to do our business. The money that's held in the Treasurer's office are dedicated funds, and those are expended as required by the institutions that are performing whatever that dedicated work is. Some of it's dedicated for future use. It's not currently being drawn on at all, I don't think.

But you can see that the total account balance on July 31 was \$2,078,634 and didn't change much month to month in August and then didn't really change a whole lot, the ending balance on September 30 was \$2,037,469. We don't have October, which was a good investment return month. September was a poor investment return month.

If you look into the next section, if you flip the next red page, you'll see a note here that we received from Chris Osborn who has been our investment advisor, who is leaving this account and moving onto other things with Morgan Stanley, I'm trying to remember the name. Peter do you recall the person that's going to replace - I have it...

Barton: I have it, but I don't recall.

Ostrovsky: So we need to get that person here in front of us. We normally would ask that person to come make an appearance at our next Board meeting, and review our accounts. Chris Osborn has been with us for a long time, actually, met with this Board on numerous occasions.

Peter Barton and I have actually met with him in Reno on occasion. You can see that the numbers reflected in here in his little memo were down for the quarter. No surprise, but if you look at the next page, which is more of a summary, if you flip through to page, consolidated, it would be marked page 10, it's their page number, we don't individually number these, when it says data [inaudible 00:09:08] composite, a consolidated account, you find that page again, page 10, you can see that our consolidated investment accounts for the last 12 months, a cumulative total is minus 1.23 which is - we lost a little over one point.

Which in the market environment wasn't terrible, as you suggested earlier, it's a flat. It was a flat market. We didn't lose any - you can look at returns over three years, we've done really well; and over five years, done very well. Actually, over the long term, we've done very well in any is the long haul periods that you look at, three, five or ten.

Markets, I think we outperformed the market, we lost less money than most people, because if you look to - I think that total loss is around that one percent. If you look today, that's all changed. You know late yesterday the market was down 259 points, today the market's up almost 400 points. So I can't - you know if you look at the market every day, as I told you before, you'll be so nervous you won't be in this market.

Stoldal: What's going to happen Monday?

Ostrovsky: Who knows. If I knew what was going to happen Monday, I'd retire.

Timmons: First of all, it's foggy right.

Ostrovsky: Yes, all in all I think we've - these accounts have performed as we requested them to. We wanted to take limited risk, but we would like to get some solid returns when we could get them. We're not willing to take big risk, we've for the most part invested in things that are dividend driven, large cap stocks.

We used to take more risk in this account. We got a little more conservative over the last few years. I think it shows, when the market was down, we were down less than the market. And one point is not very much. So considering you know the market is up two points [inaudible 00:11:16] one day, there's a question - do you mind if I take it, Mr. Chairman, Renee.

Diamond: So when we moved out of the international fund we have a while back...

Barton: Um-hmm.

Diamond: So how is the international market? I don't watch it. Is it way down?

Ostrovsky: I don't either.

Diamond: I was just curious.

Ostrovsky: We should pose that question to the investment advisor.

Diamond: Okay, I'm just curious for that. I'd like to...

Ostrovsky: Remember our international fund is...

Diamond: I'd like to think I know what I'm doing but sometimes not...

Ostrovsky: This is Bob Ostrovsky for the record. Our international fund was really focused on Japan just took a terribly beating.

Diamond: Yes.

Ostrovsky: And we decided that we didn't take those kind of risks, and there wasn't any European market based and so you know we moved most of that money into these two federated number - I don't recall the name of the other one, but they're all dividend producing stocks. Now, we're also going to look at the policy today.

Stoldal: Right.

Ostrovsky: So our investment policy is up for review later today in this meeting, so if we want to make - talk about that, we can at that point decide whether or not do we want to change our investment policy.

Diamond: So I have one other question. Yesterday we talked about a bequest to East Ely. They have one of the smaller when you looked at the recap amounts invested. Is there any require - we don't have a policy on where bequests go if they're not specified do we? I don't remember do they generally just go in and...

Barton: It's an unrestricted - for the record Peter Barton, it's an unrestricted, it goes into the investment account.

Diamond: It would go into the investment fund.

Barton: Yes, it's unrestricted. Restricted funds are held in the Treasurer's office.

Ostrovsky: Yes. And for the record Bob Ostrovsky. And you'll see - we're going to get on here in a minute to look at the audit, it breaks it down. And this also in the front pages breaks it down by institution. We've had this discussion many times here. These dollars are generated by institutions. We track them by institutions, but it's been the policy of this board in the past not to restrict it to those institutions. That is, it's really money that this Board can decide if it's better spent - if we decide tomorrow we want to build a million dollar facility for storage, this Board can spend - it is not promised back to the institution. We have tried over the years to be sure that the institutions are treated fairly, but we control all the dollars, even though we might track them by institution.

I think - Mr. Chairman, is that right? I mean as a policy, we don't have a policy that it stays with the institution.

Stoldal: Well, that has been the policy is...

Ostrovsky: De facto it's been the policy.

Stoldal: To give the Board the flexibility in time of emergency or in time of an important financial decision, but we have tried to stay with each so if it is - for example, Lost City always has generated a lot more revenue than it's ever taken.

Ostrovsky: Yes.

Stoldal: And we'll use some of that - some of the money to fund the Board in its travel and so forth.

Ostrovsky: And I think part of - this is Bob Ostrovsky for the record, part of the items in the long terms planning meeting that was suggested in the agenda is to talk about what is the appropriate use of these private funds dollars. Are we sitting on too much money?

Should we be - should we have some plan for expending some of this money to buy collections, if we can find a place to put them or should we be using improvements in our stores? I don't know.

We have been pretty. We watch our dollars very closely, and very carefully spend you know certain amounts of money. We've had some big expenditures to buy certain collections over the years where we dipped in, but is that appropriate? I don't mean to open that discussion here today Mr. Chair, but I think that's one for a long term planning.

If you look back in the records, I don't have a tracking record here. These accounts were under a million dollars after the Fall of 2008. So we've grown by a million dollars in that period of time.

Stoldal: Especially along the [inaudible 00:15:36].

Ostrovsky: Yes, so these you know I didn't want to raise the issue here, but I mean I think we should raise the issue about what is an appropriate reserve, and when we see that reserve, should we have a policy, or should we just keep growing, I don't know.

Stoldal: Well, I mean with no pun, no joke intended, but there's the Austin Powers let's hold them ransom for a million dollars you know, I mean, a million dollars is not what it used to be.

Ostrovsky: No, it's not.

Stoldal: Okay.

Dube: The [inaudible 00:16:13] when there's a concern the legislature was going to sweep all of the reserve, you know all of this money and to the general fund, I mean you know do we want to hold onto so much that it becomes attractive, or do we want to start using it to help our institutions. We were kind of concerned about that last time.

Stoldal: There was that concern, a concern over every - a lot of local agencies and different things, license plate money, they thought the State was going to come in and scoop all the various funds from

those things.

It didn't occur but it's not saying that it's not going to occur. Peter any snapshot thought.

Barton: No, I don't really have anything to add to that. I mean it's always a concern, we're part of a government organization, and if times get tough, there's always the opportunity that funds could be swept out.

Tourism just had that happen to their reserve accounts in this last legislative session, they took a 1.6 million dollar hit I recall. It does happen.

Ostrovsky: And that literally disappeared overnight.

Stoldal: With that said, we have a meeting in February, we could address that. There may be some things that we could spend \$100,000, \$200,000, \$500,000 to supply the proper storage cabinets for various - to alleviate some of that, or at least be able to put the material in the proper climate control.

So there may be some things that we do want to address, bring that two million dollars down to a million and a half or something like that, but we could put that on our agenda for discussion. I mean the million dollars is - it sounds like a lot, but it could go very quickly, and then of course it's going to reduce the amount of revenue we generate in interest.

Ostrovsky: Yes, it reduces that and this is Bob Ostrovsky for the record. The other issue is and I know Renee is probably going to come out of her chair here.

Diamond: It's exactly what I was going to say. I read your mind.

Ostrovsky: The more that we dip into these funds and buy things which we would normally expect the State to pay for in any State run organization, whether it's cleaning materials or light bulbs or anything else which we bought in the past, we talked about this before.

Diamond: Toilet paper.

Ostrovsky: The more you are willing to do that with these funds, the more the budget folks are going to say oh well, you did it last year, we'll set aside \$100,000 for building maintenance, we'll take it right out of your funds. So you've got to be a little careful.

We've tried to use it for collections. We've tried to use it for education. We funded buses for school districts. We funded learning trunks to send out to schools, I mean we could make a list. We don't have a list. We should have a list of what we've used bigger chunks of money for.

We've bought collections with this money, when we had an opportunity to, when there were no other resources. Those are things, educational things, adding to collections, that's very legitimate stuff in my eyes, but buying light bulbs is an expense the State should be doing.

Stoldal: Is that what you were going to say?

Schorr: Seth Schorr for the record. You know I think that makes a lot of sense, and you know we certainly don't want to take away from any income generating revenue, but maybe an investment in something that does generate revenue like marketing, something where there is an ROI not

supplies is something that - and something that more than likely the State is not going to be for that, but that may be something we should explore.

Ostrovsky: This is Bob Ostrovsky for the record. We have in the past paid for rack brochures to go in hotels. The institutions would request it and we would fund it, because the State had no money for a [inaudible 00:20:12] - you couldn't go to a bell desk in a hotel in Las Vegas and find out we had a Railroad Museum.

Dube: That's a good investment, if we're talking about increasing our digital marketing presence, our web presence, things that over time will actually generate revenue in my opinion is a good investment.

Stoldal: Well there's something that Claudia brought up yesterday and that is the reality of the museum system being pushed into becoming self-sustaining. I mean we have got them to pay for the toilet paper, the light bulbs, and a couple of positions and the building maintenance and so forth.

But they still don't pay. There's so much deferred maintenance in our system, it just gets deferred and deferred and deferred, they're not paying for - for anything else, so maybe we just, if it's an emergency we've got to fix these things, because the precedent is already set. The precedent it is they're not paying.

Diamond: Mr. Chairman, Renee Diamond. If we have to do those things, and over the years we have done those things, emergency amounts, when the big downturn came and the State was crunching everything we funded, extra half positions and things like that, but we can't just do it. We have to think about it, whether it is leading to what those let's call legi-matic you know, we have a budget this year, that becomes the base for next year. If we're paying, when I came on light bulbs was the big thing and toilet paper that we paid for.

Now, it's one thing to pay for extra storage boxes for an incoming collection, a once in a lifetime. It's quite another thing to make the base budget the private fund's budget. We didn't earn the money, or we were given the money as donations to pay for toilet paper.

So we have to be really careful about what we're doing, but it is meant to be spent, and the institutions have been really good about presenting to the Board what it is they see that they need and we almost - I don't ever remember saying no to anybody, but it does have to start at the institution as to us just having a general rule, sure, we'll pay for the maintenance.

Stoldal: Well, Bob, I'm going to actually move our Board policy discussion on private fund budgeting and expenditure, and general control. Now, I'm sure the investment policy up to this discussion, maybe we even [inaudible 00:23:02] two of our members at this point. I'd like them to...

Ostrovsky: Sure, absolutely.

Stoldal: And you can come back to report.

Ostrovsky: You'll find on the next red tab, a copy of the audit, Bertram and Associates which we had engaged to perform an audit, completed their audit for the year ending June 30th, 2015.

These audits are required by statute. The report item is - they stated that the audit evidence we have obtained is sufficient, appropriate, and provide a basis for an audit opinion. And on page four, you'll notice we got a clean audit statement, at the top of the page that it - that in our

opinion the financial statements referred above present fairly and all material respects the financial position of the dedicated trust fund budget.

So that's an important document that we have produced. Peter uses that with the State to meet our obligations. There is a breakdown of their actual workup, I won't take you through it, because I'm not the auditor, and we did not invite the auditor to come here. We did not get a management letter, so I'm assuming that means there were no management recommendations from the auditor, is that correct?

Barton: I don't believe we did.

Edlefsen: I don't think we did.

Barton: Yes, normally that would come with it.

[Crosstalk]

Ostrovsky: So there apparently were no recommendations from the auditor about changes, and I'm glad to report a clean audit. And here's your copy and a copy will be provided to I guess the budget office or...

Speaker: The controller's office.

Ostrovsky: The controller's office.

Barton: For the record, Peter Barton. They roll our - this is all part of the State's financial activity rolled into a State CAFA report. We're required to submit by November 1st. We met that deadline, and we actually were in a few days early. So we've met our reporting requirements to the controller for all aspects of the private trust funds.

Ostrovsky: And that completes that portion of the report.

Speaker: Mr. Chairman, not to beat it to death. Can we just let Bertrand know that you call it the Museum Store and not Gift Shop, that's it's sort of a [inaudible 00:25:26].

Stoldal: In the audit report it's called Gift Shop.

Ostrovsky: It's called Gift Shop.

Barton: Is it really?

Stoldal: Yes.

Ostrovsky: We'll let the auditor know that that's not the appropriate term.

Speaker: Thank you.

Stoldal: All of a sudden before [inaudible 00:25:45] \$64,000 or \$42,000 on the coin press, fixing it last year?

Speaker: Not being repaired.

Ostrovsky: That would be in materials.

Edlefsen: That was materials.

Stoldal: Materials?

Edlefsen: Yes. For the - the materials for the minting of the medallions, which was very significant due to the [inaudible 00:26:06] of the sesquicentennial.

Stoldal: Okay. The Chair would like move to item number 12(5) which is our investment policy, you'll find that under tab 12.

Barton: Mr. Chairman, historically we require a motion to accept the auditor's report.

Ostrovsky: The auditor's report.

Stoldal: I'm looking for a motion to accept the auditor's report.

Diamond: Renee Diamond, so moved. With the correction to Museum Store.

Schorr: Seth Schorr, second.

Stoldal: Discussion? Hearing none, all those in favor say aye [ayes around], those opposed. Motion carries. Thank you Bob, I really appreciate.

Ostrovsky: I have more to report as we get back to the - when we get to the foundation.

Stoldal: You'll find the issue of - I'm trying to find it myself.

Ostrovsky: It's about halfway back, a little further.

Stoldal: Seth, as you all - just as an FYI, did you also note there's a policy we have on membership as well in there. So go take a look at that.

Investment policy, Bob, will you walk us through - you can see at the top, this came out I think out of an audit, several years ago, that one of the things that we should do is examine our investment policy each year. And as you can see at the top, we have been reviewing it since 2009, and so...

Ostrovsky: I think - Bob Ostrovsky for the record. The long term performance objectives were to exceed the S&P 500 index net of fees. We did that - performance objectives, investment shall exceed [inaudible 00:28:00] in return and representative investment universe, I believe we achieved that, which is shown by the reports that we got. So we met our bogie. That doesn't talk about actual dollars, because it turns out it was negative, but we beat them, we beat the market.

The current investment guidelines have a limitation on what we can invest in, common stock, bonds rated triple B or better, and US Treasury instruments. By the way, this investment policy once it's approved by us is sent to our investment advisor. And they acknowledge that they will - these are the terms in which they will manage our [inaudible 00:28:39].

We also have a diversification limitation. No more than 30 percent of the portfolio should be in one economic sector. We have a minimum of three investment managers if you recall, we had to - we were going to increase our investment one of the managers. Instead we found an alternative manager because of this policy. So we have three.

And that no more than five percent of the portfolio may be invested in any one security. So we're not planning individual [inaudible 00:29:16] in a company. All security shall be class listed on the markets and - which means they're liquid, and no position may compromise more than four percent of the total company's total market cap, I mean that's kind of farfetched for us, we don't have enough dollars to do that. But it means you can't invest in a very small little company and take a big position.

Stoldal: Four or five percent?

Ostrovsky: Five percent.

Stoldal: Five percent, okay.

Ostrovsky: And the volatility will be reasonably close S&P's volatility. We haven't had an issue with that because we're in mutual funds, we're pretty much to some extent track the market and we have - that has not been an issue. And we require our investor to use - utilize best efforts to obtain proper execution, so we're not paying unreasonable brokerage fees.

Again, because we're in the mutual funds, it really is not a big issues, we're not buying individual stocks, but it can become an issue, even in a mutual fund, whether you bought A shares or B shares.

We're an institutional investor, and so we ask that they watch that. We don't have quite frankly a way of really tracking that other than you'd have to get some - you'd have to hire an investment, you'd have to hire a tracking company to find out whether they're doing best execution, but we assume a big company like that probably is doing that.

We don't allow shorts or margins, so we're not hedge fund buyers, and the primary purpose is to allow these investments on a secondary purchase that is not the primary goal of the funds. The primary purpose is to allow these investments on a secondary purchase, but not the primary goal of the funds. Again, we're not a hedge fund, folks. There's limitations on conflicts of interest, for those acting on this fund as fiduciaries, and that we will review it once a year.

I'd like to hold an [inaudible 00:31:28] discussion with them whether it's still appropriate, whether we need three funds, what are the limitations on - we've talked about hedging before. A lot of people like hedge funds, they think they do very well. This does permit them to go there.

Stoldal: Thoughts?

Timmons: Mr. Chairman, I have three ideas that I'd like to throw out. Again, this is member Timmons for the record. The first one under diversification, it says does not invest in any economic sector, does that mean cyclical or non-cyclical sectors? Or is that specifically industry? Is it supposed to be industrial sector like tobacco or - that's number one. Number two, is there any rule for sort of turnover rate of the funds? Do we want to restrict the portfolio manager as to the turnover? And the third one is I didn't see anything about derivatives, such as puts and calls contracts, if we want to restrict the use of those in this fund as well. And those are my questions.

Stoldal: Looks like [inaudible 00:32:27].

Ostrovsky: Well, the economic sector are the larger sectors of healthcare, energy.

Timmons: So industrial sectors.

Ostrovsky: Yes, industrial sectors.

Timmons: Okay, so we may want to clarify that. Again, this is member Timmons to say industrial. Because looking at the portfolio, the first four items that I saw listed in our Morgan Stanley holdings, three of them were tobacco, which I thought was interesting.

Ostrovsky: So you're suggesting that we change from one economic sector to one...

Timmons: Industrial.

Ostrovsky: Industrial sector.

Timmons: Yes, like financials or consumer durables, or something like that.

Ostrovsky: Yes, right, and that's the intent.

Timmons: Yes, economic to me means a cyclical industry or a non-cyclical industry.

Ostrovsky: Okay, well that's good. I think that's...

Timmons: Just a recommendation. And we'll brief Pete afterwards.

[Laughter]

Stoldal: Thank you.

Timmons: And then the turnover rate and then the idea about puts and calls and derivatives.

Ostrovsky: Well, let's talk about turnover rate. If we had a limitation on the turnover, would that limit Morgan Stanley's options in where we could invest? It would, I suppose.

Timmons: It would not limit where. They can invest - again, this is member Timmons. It would limit how often they can turn over the portfolio into different funds. So it gives specifically with account churning, and I don't know if account churning is an issue with Morgan Stanley. But I figured...

[Crosstalk]

Ostrovsky: I have first. This is Bob Ostrovsky. Are you talking about them changing mutual funds, or churning within the mutual fund.

Timmons: For the record, Anthony Timmons. I'm talking about buying and selling of mutual funds to switch.

Ostrovsky: Well, we - they don't do that. We do.

Timmons: Okay.

Ostrovsky: They don't have the authority to change mutual funds. They have to come to us and we do that on an annual basis. And only Mr. Osborn would be here, but he got removed from this account, so at the next meeting, we'll that - so we've had very little churn, but we did make some changes over the last few years, because we wanted to limit our risk after 2008.

Timmons: Perfect.

Ostrovsky: So I think we're okay there.

Diamond: Mr. Chairman, Renee Diamond, a member of the finance committee. We've always used self-directed the Board committee directed.

Timmons: Perfect.

Diamond: And we have, at times, ordered changes during economic times relating like the international fund, but it was always directed by the Board.

Stoldal: Item three.

Ostrovsky: Puts and calls, I'm not an expert on, so you'll have to kind of explain to me - I don't know - I don't - I'm assuming that they're not using puts and calls in these mutual funds now. It sounds like a hedge bet, but maybe you could be - this is Bob Ostrovsky, go ahead and explain what - to the Board.

Timmons: Sure, member Timmons for the record. If it's mutual funds, I highly doubt they're using puts and calls, but sometimes companies try to use different derivative instruments in order to juice the return.

Ostrovsky: Right.

Timmons: And it also - puts and calls, if strategically used correctly can actually be hedges against individual stocks, but it looks like we don't have any individual stocks in the portfolio.

Ostrovsky: But that leaves, Renee just a minute. But that leave the issue of [inaudible 00:36:05]. There are all kinds of hedge funds, because a hedge fund has got huge definitions and you can find hedge funds that invest in various ways that use puts and calls, shorts, and all kinds of - you know they buy other kinds of instruments, that they're not so liquid sometimes, and we've always decided we didn't want to go there, because we didn't understand them well enough to make - take that risk.

Diamond: Renee Diamond. It wasn't just that we didn't understand it enough, they're more volatile, they have issues related to them that we were not comfortable within our terms of being somewhat conservative but most often more interested in being safe and steady.

The other thing about churning, which I just had a little run-in with my broker, but we haven't seen that because we give them a flat rate, so there's no incentive to churn. We just tell them when we think it needs changing.

And at different times in the history of Morgan Stanley, particularly, they've told us sometimes when they thought we ought to be out of a particular manager into some - no, they not necessarily recommended something, they've given us a few options.

Stoldal: Two points. One would be that - it sounds like we've answered your second and third, and you're recommending that we change economic to industrial.

Timmons: That is my recommendation Mr. Chairman.

Stoldal: And to the other issue is we will have this - our new broker at the next meeting. While we - by policy we examine our Board investment policy at the last meeting of each year, we have also - we can open it up at any time. So when this person comes to give us a report, we can also ask him some of these same questions and get some additional input, and if we feel we want to make a change, we can also do it at that point.

So we're still open, but did you make a motion on the industrial?

Timmons: Yes, first of all, Mr. Chairman, Anthony Timmons for the record. I feel more comfortable now, because it is a self-directed account. I think a lot of the issues which I brought up are pretty mute issues at this point, because we're the ones that are directing the advisor to make those strategic decisions.

So based upon that knowledge, I would like to make a motion that we approve - we approve the investment policy with the one change from economic sector to industrial sector.

Dube: Pete Dube, I would like to second, if I could ask a question on that.

Stoldal: Further discussion, Pete.

Dube: Can you explain that difference again to me, because I heard something about tobacco or something, I didn't understand why we're switching, just so I know.

Timmons: Anthony Timmons again for the record. An economic sector is cyclical or non-cyclical typical. A cyclical industry is one that kind of wanes in ups and downs with the environment - with the economic environment. So when the economic activity is down, the sector is down.

Non-cyclical stocks are traditionally stocks that are independent, like a Pepsi, or no matter what the economy does, they kind of are steady performers, oil companies, that sort of thing. Well, oil I guess right now is really actually more cyclical thing.

But in industrial sectors, one like tobacco, consumer durables, utilities is an economic sector, gaming is one we know real well.

Gaming is an economic sector, so I want to make sure that our portfolio is not tied to necessarily 30 percent related to the economic environment, but specifically that we don't have more than 30 percent concentrated at any specific industrial sector.

Because on the list, the top four listings under that consolidator report, three are tobacco companies. So we have six percent of the portfolio - of the top four holdings all concentrate in RJR Reynolds, RJ Reynolds, [Altria] Group, and I think there was another one, but they're all

concentrated in the tobacco industry, which are traditionally really be dividend stocks, but you've got to be careful about industry concentration.

Dube: Just a follow up question to that. Again, I'm way out of my comfort zone, you know you hear about you know road testing investment policies [inaudible 00:40:36].

Do we have any ethics involved in this in things we don't want to be in, or is it wide open.

Timmons: That's a great question.

Ostrovsky: This is Bob Ostrovsky for the record. No, we do not, and there are investment strategies which take those things into consideration. It's not in our policy to have those limitations.

There are some - some big, you know universities and retirement funds that the State of California whatever have certain policies. They're willing to take lower rates of returns to be in either - they want to invest in green energy for example. Or they won't invest in some - in diamonds in Zambia because there are you know certain social concerns.

We have not put any of those limitations on our funds at this point.

Stoldal: We've discussed it. We've discussed that over the years to - as early as 1986, discussed that. But we've never - we've just left it wide open.

I think the closest we've come is we would follow the State of Nevada. If the State of Nevada decided not to be involved in tobacco, or diamonds from Zambia, that we would follow suit. But we haven't formally - formally done that. It's always an option.

Ostrovsky: And for the record, the legislature has debated on occasion over the years, limiting the State Treasurer's office investments based on social policies, but it's never been approved by the legislature to my knowledge.

Stoldal: So we have a motion. We have a second, hearing no further discussion, all those in favor say aye, [ayes around], those opposed. Motion carries. Thank you for - it's nice having an additional member...

Timmons: Yes, thank you, happy to help out.

Stoldal: Because Bob has been leading us astray for so long.

[Laughter]

Timmons: The debriefing is at lunch, okay.

Stoldal: Thank you. Now, let's move back to item 10(4), Museum Store, Pete Dube?

Dube: I will start off and I'm going to do what we do so often, I'll the heater to bailing out. I think everybody - I hope everybody got the little folded handout on the Museums, it's entitled Nevada State Museum [inaudible 00:43:03], prepared by Peter and staff.

And this is just a great snapshot of - I'm assuming you've all read it, but basically it goes from 2007 up to fiscal year 2015, has all of the institutions, the [inaudible 00:43:23] figure sales, the

per caps, so that's the - you know for every visitor that we get into the museum, that's what we get them to spend in our museum store, the cap rate.

You can see that it's continuing its decline as a per cap, but the net profit is actually doing phenomenal, and overall I think we're doing really well. So you know we're real pleased with this. I think this is a good report, particularly when you look back on some of the rougher periods we had like between '12 and '13 where we finished the year substantially in the hole. And this Board made some difficult decisions to cut personnel and take an aggressive stand on making sure that our stores at least turned a profit. So I think everybody is to be commended for this report. I think it's pretty good.

So are there any questions on the museum store sales and per cap.

Ostrovsky: I have one question, it's more of a comment than a question, I guess. We continue to have to look at Lost City, which has the best per cap, it has for a long time. It far exceeds any of our other stores.

And I just - an anecdote story, the last time we were out there for our meeting, I bought some store and brought it home...

Diamond: Did you like it?

Ostrovsky: My wife was happy as could be with the stuff. I mean she was thrilled. I can't buy that same stuff here in the store. So I think that the point I'm trying to make is merchandising the right product in our stores is to my mind still an issue, and if you have the right stuff, which they apparently have in Lost City's because people are buying it, we have to find that magic for the other stores. You know I won't go in here and buy a cup that says the museum name on it, I mean I've got too many coffee cups at home, but they had jewelry out there that you couldn't find anywhere, nowhere except at Lost City's.

Stoldal: And reasonable - at a price that was...

Ostrovsky: They weren't giving it away, but it was reasonable.

Stoldal: Yes.

Ostrovsky: So I'm just saying we should continue to look at Lost City as - we've got one store that does phenomenal on this per capita things, and we've got to figure out, we've to think for a way to do more of it.

Speaker: I agree.

Stoldal: But the issue also is Lost City - you're going out there in the middle of nowhere and you're looking at a - sort of a Native American - I think it's slightly - but the answer is yes. The answer is of course we need to look at it.

Dube: Yes, and [inaudible 00:45:58] some of the others, particularly this one, by the time you get up there, there is you know there is visitor fatigue, there is a lot of issues, I totally agree, and that's kind of what we've been trying to rattle the cages of the museum store people, is that people want to buy unique things.

I looked in here myself, and it was a cute little cup and it was - not a cup by like a vessel, you know an [inaudible 00:46:17] I thought it was made somewhere in Taiwan or something, I didn't buy it.

Diamond: Renee Diamond, as the godmother of stores back in '80 something I went into the Carson City Museum and you used to - at a counter you used to pay to get in, and behind the counter were shelves, and there was two cups and one something.

And I was at my first meeting strangely enough with [Redison] and kept my mouth shut until almost the end, and said I've bought at museum stores all over the world, I mean if I don't come home with notepaper - if I come to your house for dinner, it's not wine, it's notepaper from the Field Museum let's say.

So with that history in mind, why and it's never happened, Lost City has always been in terms of dollar amount our highest dollar amounts per sale. They have fabulous merchandise. We have never, whether we were in Lorenzi Park or here, had communal purchases.

She gets special people to come in from Utah, from Idaho, and points east to sell her things, what would it take for whoever is buying here to ride out there on some of those days, and/or for Carson City to have some access to it.

I'm not sure this is appropriate for the Historical Society and for the Railroad's, they do fine. I just - I brought this up for 100 years, about buying things together, I mean that's the idea of companies trying to be chains, not because they like each other that much, but because they know they can buy cheaper and pay faster.

Dube: Pete Dube for the record, and we talked about that. I think that ultimately our goal is to create a really unique buying experience in each of the sites, because remember the purpose of a Museum store is to enhance the mission of the institution that it's in.

So Lost City has a very clearly defined mission, and they seem to acquire merchandise that fills that mission and sells very well.

Not to pick on a particular institution, but this one here, I don't think they do that. I don't think they've defined what their - what they should be selling in that store that sort of helps the State [inaudible 00:49:00] because we all struggle to find something to buy in there, so I think that's the area we need to work on, I'm not so sure that buying the same [inaudible 00:49:05] is maybe the right answer because we're going to undercut sales at Los City.

But what I think we have to find what's going to sell in the store, and we haven't done that.

Stoldal: Well, we also have to look at the store at the Springs Preserves. It is about four times the size of our store.

Dube: Wow.

Stoldal: They have some of the same, very specific, unique items like in Lost City, but different unique items. And they have now cut their store in half, because they couldn't - they couldn't support it.

So we - this Museum is in competition with the Museum Store 300 or 400 feet away. The one in Carson City, I still believe was a giant mistake to move the Museum Store out of the building and

all the way over to the other end of the - it's like the tail, if that was back in the main building, I promise that the revenue would go up.

So there's different challenges, but the merchandise is the fundamental part of what you're [inaudible 00:50:17]. I can't tell you how many times we go to Carson City to buy something, there's nothing there. There's just not anything special or unique.

Dube: That's a great point. That's a great point Mr. Chairman, because one of the things you know kind want a good example of a store that does really well is the Nevada Art Museum, and they just had a really great Tahoe exhibit there, but you know they - the Museum Store people are stocking merchandise in the store in advance of the exhibition, I mean two of the Tahoe books, they're \$85 apiece.

I mean these were fairly expensive books, and that's when we were talking to the Museum Store people and curators here is that we need to get them all together so that you know they're coming up with really neat exhibits. I mean that gallery that we just looked at where that artist was here, the wildlife artist?

Speaker: Um-hmm.

Dube: Why aren't we selling stuff like that, I mean those were beautiful photographs and prints.

Stoldal: Renee.

Diamond: So Renee Diamond for the record. I wasn't suggesting that we duplicate what they have, but we have Native American jewelry in here. Any tourist that are coming in here, are looking for the same thing they're looking if they find their way out to Lost City.

The difference is out there as a long time shopper, she has a variety of prices. Bob and I, he bought for his wife, I bought for myself the same necklace that she had, and I think it was \$16 with silver and stones. I just looked at a pair of earrings, no stones, just silver and some enamel for \$46. There is something to be said for reassessing in this institution the fact that they do have higher priced merchandise, but they are feet away, not cities away.

But there are certain universal things, things are reasonable and they represent a visit you made to another place, and you can afford it, you buy it. I mean it's old Moscow rule of shopping. How often are you going to be Moscow? Buy the dolls.

Stoldal: The issue here though I think is really the Lost City. Lost City I would venture to say 85 to 90 percent of the people who go to Lost City to shop there are tourists.

Speaker: It's their Moscow.

Stoldal: The Springs Preserve is three or four or five percent - 98 percent of the people who come to the Springs Preserve and are there are the Art Museum are locals.

Diamond: Yes, but Renee Diamond. Every local has Moscow in them.

Stoldal: On [inaudible 00:53:02] but it's a different...

Diamond: I mean I bought butterfly necklace, I hate...

[Laughter]

Diamond: I don't like things under plastic, but I bought it. And why did I buy it? \$14 or \$16...

Speaker: So you'll buy anything if it's \$14.

[Laughter]

Diamond: I know exactly where I'm going to wear it around my neck, and a bunch of old ladies that I play a card game, or a dice game with are going to thing to themselves, oh my God, I was 12 of those. It's the item and the cost to you as an individual that determines what you buy. Not necessarily the uniqueness of the location. I get unique locations, that's what you buy note cards for you know in Amsterdam the note cards don't look like Lost City. But some things are universal.

Stoldal: Doris?

Dwyer: Doris Dwyer for the record. Two observations. I love to shop in museum stores, and I've noticed in our system Lost City, the attitude of the people who are selling. And Denise and you know the other people out there at Lost City, they're helpful without being intrusive, you know they know that line.

And all the other museums, the clerks, did I use the right word there? The salesperson are very remote, half the time they're talking to somebody else that's on staff. You know it's a question of training, I think or maybe common sense, but maybe a little bit of training.

Stoldal: When I buy something at Lost City, no matter what I buy there, they tell me what a great eye I've got, you know what I mean? They're very good.

Dwyer: They really know how to sell, and they can do it without hovering, you know.

The second point and I talked about this to Pete already. So yesterday and I'm on the store museum committee, so I went in and I said okay, do you have any of the copper medallions from the State that commemorated 150th anniversary. Oh but they never sent us any. People have asked for them.

Well, that was an official State - that commemoration that went on for a year, and why isn't that automatic? You know because of course the State Museum did have them. And they don't - they're out of one of them and I was trying to get one here. And now I don't know if they never asked or if they were never notified, but shouldn't there be some kind of coordination when it's an official commemoration? Shouldn't all the State be given an opportunity, because they were not limited, were they Peter in terms of how many...

Barton: They were - that is the problem, and this is Peter Barton for the record.

Dwyer: Even the copper.

Barton: The copper ones were not - we didn't produce them, and we were not the sesquicentennial commission elected to keep that as an exclusive product, that they sold - they made an exception when they had a couple of overruns and let our stores resell them.

Dwyer: Oh okay, so that the Carson museum had them?

Barton: Correct, yes we were not - yes, they had...

Dwyer: I mean it just seemed like a disconnect for a State institution.

Barton: You know I can't speak why the sesquicentennial commission decided to keep it exclusive.

Ostrovsky: Mr. Chairman a question. I don't know, the two Peter's - will the new inventory system help us to know what we have and get better tracking on what we're selling and be sort of a blinking light to the person in the store, saying boy they really sell a lot of these Carson City, maybe we ought to get a few. Are we going to have that...

Barton: Do we want to open that conversation.

Dube: Yes, I mean if we want to bring it around there a little bit I mean. I think it goes back to the fundamental problem that you have to know what's going to sell. A fancy inventory system isn't going to help do that. That's my take on that as a [inaudible 00:56:47] - you know I don't do that for a living, but you know I think that Lost City is going to do well, regardless of the POS system we have.

So I think that - I took some notes, you know to move - before we get into the POS, I took some notes. I keep forgetting I actually have a committee now, I think I'm going to get my committee back involved, maybe we're going to start talking to the store keepers about some of the observations we continually have, and then maybe get them to kind of work on that, while I can focus on the point of sale.

Because I've kind of let Peter down a little down a little bit on that, I mean we were under some tight pressure I think to get the POS going, and it's not moving quick. So can we move to the POS system?

Stoldal: Please.

Barton: Sure, and for the record, Peter Barton. So we briefly touched yesterday that the State moved its contract for credit card, debit card, gateway processing from First Data, who is a major provider over to Wells Fargo, we contract - Wells Fargo is now the payment processor. We have successfully migrated all of our State fiscal transactions that are credit card, debit card over to Wells Fargo.

We've held off doing the museum stores, because you know we started down a path last April of exploring new point of sale systems. The system we have from Cam Data I think was procured in 2008 or 2009, and we had followed a previous vendor, Cam Data in buying the new system.

And we found a number of weaknesses in the system as Microsoft upgraded operating systems, the retail star became increasingly incompatible with the new Microsoft products despite the fact that we have software and software upgrades as part of the Cam Data package that we bought.

So Wells Fargo came back to us, and said there's a cloud-based system where the inventory is in the cloud, that's called the Clover System, and you may have encountered them.

They're basically iPad based, you go in a store and it's a little iPad, and they kind of ring you up,

and they can spin it around, and you can sign right on the iPad for your credit card transaction.

They're pretty slick. We had a lot of questions about them, because all of the demos we had seen on them were geared towards delis and fast food restaurants, where inventory is much less of a problem, I mean you don't count the number of dill pickles you have typically in inventory, you just sell them until they're gone in a deli operation.

We need to know what the value of inventory is. We live and die by the products we have and being able to know - to set minimum stocking limits so that when we hit five of those popular coffee mugs, we've got an order going out for the next 144 of them.

We had a demo at Wells Fargo in Reno of the Clover System, and again it's got some - certainly some advantages, Carrie went along. We detailed the list of what our priorities were in terms of what are the improvements we want to make that helps address some of the LCB audit issues.

We've had a number of conference calls with Clover and Wells Fargo regionally talking through this. I was hoping today that we'd have - be able to make a final recommendation to let's go with this system. Our deadline is a new system needs to be implemented by February 28th.

The State Treasurer was kind of to - and First Data was kind of to continue their relationship with the State for this unique purpose for our Museum Stores through February 29th of 2016. That's coming pretty quickly. We didn't want to implement a new point of sale system in December, that's a good month for us in terms of sales. So we said let's do that, and let's try to approach it in January.

February we've got to do training, we've got to get staff on board, then we've got to get the equipment, do a complete new fresh inventory, so the data going in is good data. We don't want to have bad data to go into a new system. And try to get implementation by February 29th.

I'm concerned about how we're going to meet that deadline, because in all the demos that Clover has been giving us, they continue to be a deli-fast food operation that we've been able to go online and manipulate through a special website, they allow us to do some demo work.

So we're trying to kick the Treasurer's office along to - you know they're so engaged right now in making the transition for DMV, which is a huge payment processor for the State and make that successfully.

And Nevada Highway Patrol uses payments for - if you want to pay your ticket, you can pay it with a credit card. But I am a little concerned about timing on this, and I'm not prepared to make a recommendation just yet.

We've satisfied a number of our requirements where we wanted the division office to be able to go in and look at that cloud inventory at any location, at any time. Because one of the areas that we were criticized for the LCB audit was a lack of management control over any adjustments that are made. So that in the course of doing business either at an annual physical inventory or at an interim inventory if the store is supposed to have 12 books, or 12 Nevada Historic Calendars on the shelf and they find they've only got six, and we have to adjust that number, that was being done by one individual.

So the opportunity for something bad to happen that door was at least cracked open. We wanted to close that. We'll have the ability in the Clover System to go in and look regularly at reports, at

inventories and to approve what we're going to put into place, policy, that if you're going to make an inventory adjustment, someone at the management level has got to be looking at what you're doing.

So it certainly accommodates some of our needs. We're just not I don't think past the critical point of confidence that it will meet all of our needs.

It would be ideal if it were, because it's a product that's so integrated with Wells Fargo's system in their - and the way they handle these transactions that there would be some certain - certainly some advantages to using the Clover system.

You can go online and look at Clover POS, I know Mr. Dube has been working with the Museum Store Association to see you know what's been the Museum store experience with this particular system, and I don't know if you've yielded anything.

Dube: I've got zero - zero, Pete Dube for the record. I have zero response on Clover, I got hit up by two vendors through it. Yes, it doesn't seem to have much traction in the Museum world. So that's the only thing that concerns me.

I liked it. It's out-based, you only buy what you need, which is kind of neat, I mean it's hard to get a system that's going to scale down to our little store, but the confidence level isn't there yet without some example of it.

Stoldal: Do you need guidance from us? I mean, it sounds like you've got the systems rolling, if this is going to get to where we need to be.

Barton: Yes, I think - you know absent a meeting between now February 29th, I'm not sure how we get the Board buy-in on a system acquisition and implementation. Remind me what's the approximate cost for Clover.

Edlefsen: It was around \$2,300 total.

Barton: Per store.

Edlefsen: Before we started applying - if we had to pay for any apps that would be over and above with a month subscription of those apps.

Barton: Right.

Stoldal: Do we need to authorize the Museum Store Committee.

Barton: To act on your behalf.

Stoldal: Yes.

Barton: Well, we'd still have to post a meeting notice, but it's much more expedient to do that with a small group.

Stoldal: Then I...

Diamond: Renee Diamond, I move that we authorize the Museum Store Committee and Peter Barton to notice any discussion and notify the Board, but to make the decision themselves.

Stoldal: Look for a second.

Barber: I'll second that. Second Alicia Barber.

Stoldal: Alicia Barber has the second. Further discussion? And the Museum Store Committee of the Board is?

Speaker: And Seth I think is on it too.

Dube: Yes, so it's Seth, Brian, Doris and myself.

Stoldal: Further discussion? Hearing none, all those in favor, say aye [ayes around], those opposed? Motion carries.

Timmons: I have to abstain. I can state a relationship, I work for Wells Fargo.

Barber: Oh okay.

Timmons: Does that work?

Barber: Yes.

[Laughter]

Timmons: As opposed to a no?

Barber: Yes. I mean usually you just want to say you're abstaining.

[Crosstalk]

Timmons: Conflict of interest.

Stoldal: All of you thank you very much, I really appreciate the work, the discussion, we've been moving in the right direction with the stores, largely from staff and the work with Peter. Now, that you've got a full committee, I expect to really move...

[Laughter and crosstalk]

Dube: I'm so used to doing it myself, I'm like oh, man, I've got people.

Stoldal: You've got people. Let's move now to 10(5) which is Nevada State Prison, Alicia Barber, it is now 12 - 11:39. So we'll try and - we'll go ahead and I think take Alicia's report of the Nevada - is lunch here? Lunch is not here. So let's just keep moving until lunch arrives, Alicia.

Barber: Okay, thanks. So I as well as Bob, and of course, Peter have been attending these meetings that are kind of the continuation or the - I don't know sort of superseding the work, continuing the work of the steering committee that initially had to put together to discuss the dispensation of the Nevada State Prison.

So the last - and so our role as the Board is really exclusively the list on the maintenance of the fund that we established gosh, back in June, you know this June, yes okay the Board of Museums and History dedicated a trust fund, that was outlined by AB 377, Section 8.

So that's our jurisdiction when it comes to this issue specifically. That is the fund that we established, but as yet, I don't think it still has been budgeted, because that was part of what we were waiting for from the Nevada State Prison Preservation Society was to actually submit a budget so that could actually be budgeted, you know that doesn't mean the funds, it just means what would they want to spend money on.

What are the lines, right, the budget lines that they would want authorized and everything. So aside from that, really it's just - this is just informational.

We've been attending to kind of keep up with what has been occurring with the discussions about the Nevada State Prison, and offering insight and wisdom, and questions you know while we can. So what's really been happening is that this is actually you know pretty extraordinary convening of people from a lot of different state agencies to discuss the Nevada State Prison.

And at this point it really is pretty exclusively - well, with some questions about the state of the historic structures on the property, but it is as a result of the Nevada State Preservation Society and their desire to turn some portion of the property into a Museum, you know and so that has kind of been the focus of the discussions. And specifically what the first - if you're looking at the meeting summary from the last meeting we had on October 27, you can see all the people who are attending from state lands, [inaudible 01:09:14] management, Department of Corrections, State Historic Preservation Office, and the Division of Museums and History, and probably Tourism and Cultural Affairs, etc.

So they've convened a lot of people. The main issue we were looking at was the status of this Memorandum of Understanding that is between the Department of Correction and the Nevada State Prison Preservation Society, because that's the document that basically governs what the Preservation Society can do on this property.

And so we don't have a copy of the Memorandum here, it was in a draft form. We saw the draft form at this meeting and then were asked to provide comment. We discussed, we were asked to provide comments, we've done that, and I think those are going to then go - are they going through the AG's that needed to see that. Which office was it that needed to look at it?

Stoldal: AG.

Barber: AG's office, and then come back and we would look at what it was. So it governs basically their ability to conduct tours on the property, to engaged in other commercial activities, that had some fundraising activities there, and that Memorandum is to stand for two years with automatic renewal, unless one of the parties wants to terminate it. So it really is between those two entities and there were just a lot of things in the initial draft that had to be discussed a lot more.

It gave a lot of leeway to the Reservation Society to make decisions and Department of Corrections decisions about physical structures. So Rebecca Palmer and Jim Bertolini being there from State and Historic Preservation office had a lot of input and for sure having input about the language that would govern what could be done to the physical property.

And essentially saying that any change, any modification no matter how seemingly small, does need to go through the Historic - the Preservation Office to make sure that it doesn't negatively impact the integrity of the historic structure, so there are a lot of other aspects to that Memorandum of Understanding, I think some which were being kind of taken out altogether, and you know a number of revisions were happening and so that was kind of under way.

And that was a very good discussion, I think that it just wanted to make everybody feel very comfortable with what that Memorandum of Understanding allows and doesn't allow.

So of course there was the announcement of the Prison being listed in the National Historic Register, which was terrific, because that was a long process that involved a lot of different people, and a lot of back and forth. So that I think the Preservation Society is very interested in that being a stepping stone to achieve grants for some of the work on the property. So that's something that they're looking for.

The Carson City Historical Resources Commission has applied for a CLG grant, because they got a CLG grant, right to actually have an existing status report on the condition of the historic structures on the property. And I think they ended up deciding to focus on the historic structures. For a while it was going to look at landscape, but now I think they're back to having - evaluating the structures, just to see condition to have you know conducive existing status. So that is some money that is going toward you know this property, so that's great to have some evaluation of the condition.

Let's see so there was a lot of discussion here about SHPO. One thing that had come up at the previous meeting is that Peter had introduced the idea of initiating comprehensive feasibility analysis for any kind of museum, entity, interpretive entity there, just realizing that you need to see how much something might cost and what buildings could be used for something along - of that nature. Is there a market for a museum about the Nevada State Prison? And so that kind of feasibility analysis would be hiring an external consultant. So we were looking at you know some possibilities for the consultant that could be hired, and how much that might cost.

In order to do a very extensive evaluation, it just doesn't make sense to go any further with planning before a feasibility analysis has been conducted. And so there was a lot of discussion about who's going to pay for that, and it remains unclear. There was, I think by the end of the meeting, I think there seemed to be ideas that that could be something that could be submitted for the State legislature, and try to get funding for that.

Of course, that pushes it way down the road. And so any work or ideas continuing before a feasibility analysis has been conducted is a bit problematic, but the Preservation Society doesn't have funding right now, and other entities aren't prepared to be giving at least all the money that something like that might cost, you can see the number that's being thrown around is about \$150,000 for - it's kind of an initial phase of an analysis like that.

If you're taking apart you know a historic structure analysis, and that can be funded something else that you can kind of you know break it down a little bit more. But that's kind of the status of that. It's something that everybody is supportive, I think of occurring, but there's really no bigger sense of how it would - how it would occur.

I know there was a discussion of these funds. These funds are just kind of being set up with a [inaudible 01:14:25].

You know I was trying to - I personally was trying to get that meeting to suggest that perhaps the conversations with this group of very high level State agencies could also start talking about what other activities could happen at this site, beyond a museum, because it is a very big property. I mean I think when we focus just on a museum entirely, that is limiting our ability to decide what might happen to the entire structure.

Of course the property can't be used for anything else until it gets out of the Department of Corrections use, because it's only existing execution chamber in the State. So it needs to remain potentially operational for that.

So it was sort of just that. You know this is just an update then, we really, as you said there aren't any funds for our - for the account that we manage as the Board. But if anybody has any questions or wants to discuss it, I think we could probably talk about any aspect that we really want to about the prison.

We'll have another meeting in January.

Barton: Late January.

Barber: Is the next meeting. I don't know if that one is going to be at the Prison also? Did we decide? The last one was at the Prison actually, which did have heat, which we were happy, because it was pretty cool outside.

But you know it's a good group of people who are really trying to figure this out. And this is just - it's getting a lot of attention from a lot of high profile people I think through the successful efforts of the Preservation Society in getting this idea pushed forward.

Stoldal: To add a little tangent to it, a little nugget. The learning experience that the Preservation - Prison Preservation Society is going through has been almost a vertical learning experience. The Preservation Society, the Prison is made up in large part of former Prison Guards, and former Prison Administrators, and clearly were used to making decisions in a different environment.

When they made a decision that was the word. That was how things went. Now, they're learning they need to deal with people like Risk Management, other State agencies, and I think they're coming along. At first, it was a little - a little difficult to do that, and it is, it's an MOU between the DOC and the Prison Preservation Society.

Barber: Which is a nonprofit.

Stoldal: Which is a nonprofit. They are selling Christmas ornaments, if you like - with the Prison on it. If you'd like one of those it's on their website, so they're looking at various revenue streams to do that. But it is a learning - it's a pretty solid group.

State Lands now controls everything because that's the way the legislation is written, that it would go to State Lands, and then State Lands in turn would decide which agency or agencies would control the facility.

But until they get the Death Penalty Chamber built in Ely, DOC will still fundamentally control that. When we talk about landscape, the operative word is "land" is whatever it is between the buildings. I always thought it was bushes and trees and plants, but it's the landscape.

So whatever is on it, if it's a barren piece of land, that's still part of the landscape that they have to deal with. And SHPO is playing an active part in this. And so I think things are moving along, but there's still a lot to be done, and I think they're finally appreciative of Peter's expertise and what he brings to the table.

So it's a pretty solid group, and we have purposely, the three of us show up at these meetings, even though we don't necessarily have a vote, we tend to pretend that we do.

Ostrovsky: Mr. Chairman I have a question. I read this McDaniel from Corrections was saying there's no - there's very little or none - no maintenance money for the facility. And just from my experience on the cultural commission, when they turn the heat, light and power off, and...

Barton: You sell it.

Ostrovsky: The water stop running, buildings deteriorate really quickly. Have they shown some concern about that?

Stoldal: Yes.

Ostrovsky: I mean it just gets worse, it doesn't get better.

Barber: And there's a lot of conversation about that. So there are standards for mothballing historic buildings. And so Rebecca Palmer was really sharing a lot of expertise and basically the information about how to do that.

Barton: And if I may, this is Peter Barton, the Public Works Board has a very detailed protocol for mothballing facilities. That building did go through it, where we've seen some early issues develop, some of the windows have been penetrated, so birds in particular have taken up occupancy on the second floor, on the north side and you know there's a growing, I don't know how else to say, pile of pigeon manure accumulating in certain facilities.

So yes with SHPO's guidance and the Preservation Society seems very honestly concerned about this as well, and are looking to work with the partners to actually make some repairs and secure the facilities. They are aware that abandoned buildings the deterioration accelerates pretty rapidly.

And I would just offer that you know I think what Mr. Stoldal said is true, that the Prison Preservation Society is realizing that these are partners who want to help. I mean we want to build their capacity to do something.

One of the members of the Prison Preservation Society, I just got a note from Jim Barmore showed up out at NDOT without prior notice, looking for Prison artifacts, trying to search through the artifacts.

And we've now established the appropriate contact, and will invite this person to come in. I don't know what that's all about. I surmise they want to know what artifacts are available that could potentially tell some stories, and inform the interpreter.

Stoldal: Well why would they show up at NDOT?

Barton: Well, I think that's the - you know I mean that's the question we have, like you showed up at

NDOT without warning.

Speaker: And there was a story in the newspaper that mentioned the chair.

Barton: The chair was out there, so they probably ran on that. We shall see, it's a project that concerns me greatly. And is one that I am not willing to engage this division in without the appropriate studies, without that comprehensive feasibility study which is - it really runs on two tracks with a number of subtracks.

There's the evaluation of the structures that needs to be done, and it's beginning to occur through the CLG grant. And then we've got to - we've got to look at the interpretative program, I mean what are the stories that this place can tell, what do we have that can support that. You know what are the facts that do exist to support storytelling?

What's the appropriate level to tell it at? You know what the big stories are. How do you tell them - the place is huge, there was 277,000 square feet of facilities that no one I don't think in their right mind would ever suggest it's going to be a 277,000 square foot museum. It may be 5,000 square feet of museum and 270,000 of something else.

We would hope there's an open mind to that outcome, but my doing this resource evaluation, and the interpretive programming, the program analysis as I call it, starts with some interpretive programming, you do absolute focus group testing.

You take these concepts to Sacramento or somewhere that historically is a primary market and talk to various audience groups, people who are museum goers, people who may not. People who may have been in prison, you want to get their perspective on these concepts.

You get their input, and concurrently you're doing a market analysis. What's the capacity of the Carson City market? What does it draw now? If we do this, how are we going to change that market?

And all of this eventually goes into the big stew pot, and out of it comes a business plan, that says these are the capital needs and this is what you should expect in terms of audience, feel, revenue and community benefits.

We owe that to the State, we owe it to the public to do that. So I'm unwilling to make any movement forward and engagement in any demonstrable way of this division, which has been suggested.

You know no one has got up in the legislature and say it will be museums and history. But before that happens, we want to have this study done. It's an important guiding tool, and I hope we can find the resources to do it.

Stoldal: The other challenge is there's another important historical project that needs revenue, and that's the Stewart Indian School.

Both of these are going to come up in the next session of the legislature, and then still tailing out there is the completion of VET.

Barton: Yes. That is out there, yes.

Stoldal: And the Governor has clearly shown a value of the Stewart Indian School. He visited a couple of times and he brought in the State of the - the Statement and so on.

So you've got the Prison, you've got the Indian School. And then you have the State Museum system. So we need to be really be prepared for the next legislative session.

Any more on the Prison? Any questions? Appreciate your attending these meetings. I think it's really been valuable to have a good strong sense of this Board and the museum division at these meetings so...

Barton: And if I may, the last word is we all need to thank the Chair who has attended both of these meetings on his own nickel. He's flown to Reno and spent the time at both of these meetings and has been engaged and asks some very good questions during the...

Barber: Yes.

Ostrovsky: I have one other follow up question. Is Silver City Industries down in fund? That's different from our fund, right?

Edlefsen: Yes.

Barber: Um-hmm.

Ostrovsky: And it is money that they're supposed to generate from the sale of industry products, is that right? It has nothing to do with us.

Barton: Nothing to do with us, if there are net proceeds in a similar way that at the end of the year, if we have net proceeds, they go into an investment fund, and that would be this investment fund.

Ostrovsky: Our investment fund?

Barton: No, no, no. In this Silver State investment fund. It's a different fund. It is a little confusing, there are three funds. I'm not quite sure what the thinking was, why there needed to be three of them.

Because when you - those are endowment funds, so unlike our private trust funds, they can only use the interest that it generates.

Silver State Industries, at the end of the year, you know if they have a net bottom line of \$5,000, I think that's going to be a lot. How much interest do you get on \$5,000 today, as an investment.

Diamond: 28 cents.

Barton: I mean I just don't think - yes, I don't think those are...

Stoldal: Lurking in the background too at the last meeting someone said of the Prison and Barbara McGrechen said that yes, we're going to be really happy when the museum opens up at the old State Prison, if we're going to be able to put our gift store in there.

So they're looking at the Prison's gift shop, they want to run the Museum store so to speak, the facility. So all these people have got their hands in the pot, so.

Timmons: Can we use 200,000 square feet at the Prison for storage.

Speaker: That's what I was thinking when you said...

[Crosstalk and laughter]

Stoldal: Well, they tried to suggest that, but there was no room, because the roads were taking up most of the space...

[Laughter]

Stoldal: Is that it?

Barber: I think so. Yes.

Stoldal: Let's kick it over to Bob Ostrovsky and then after the Nevada Cultural Affairs Foundation, we'll take a break for lunch.

Barber: I want to thank you for everything he's been doing with this Prison too, I mean you know writing that comprehensive feasibility analysis proposal was critical, and I hope that they are taking it to heart, you know that you really should do that first before you do anything else. I'm not sure they're all there yet, but they needed to see that, and you did a great job at that, so thank you.

Stoldal: It created tremendous credibility for the Museum.

Barber: Any professional enterprise...

Stoldal: And they recognized that Peter was there to help, not to [inaudible 01:27:40].

Barber: Thank you. Sorry Bob.

Ostrovsky: No, that's fine. I'm trying to figure out how to explain the situation that the foundation is in. So this is not easy.

I mean you have to go back to - this all surrounds the sesquicentennial, this is Bob Ostrovsky for the record. In 2013, the legislature passed AB 24, which established that the sesquicentennial license plate.

Section 5 of that Bill is the operative one that was of concern to me. That says that the Department shall deposit fees collected pursuant to subsection four which is the sale of license plates, with the State Treasurer with a credit to the general fund for the duration of the collection of such fees.

The Treasurer shall on a quarterly basis distribute those fees to the Nevada Cultural Affairs Foundation or its successor to be used the salvation of the 150th anniversary, paraphrasing here, for projects relating to the commemoration of the admission of the State, including without limitation historical markers, tours, historic sites and improvement to a restoration of historic buildings and structures, education related to the history of Nevada, other projects relating and preserving and protecting the heritage of the State of Nevada.

Further, it says that on or before January 1st of every calendar year, the Division of Museums and History shall produce a report of the revenues received from the issuance of the plates and all its associated expenditures, and that should be submitted to the legislative council, that hasn't been happening.

That money never came to the Foundation. The Governor by proclamation, there were two proclamations, but he established a planning committee for 150, then he established a 150 committee.

Barton: They were by executive order, I'm sorry.

Ostrovsky: By executive order, you're right, by executive order. And by executive order they moved the money from the Cultural Affairs Foundation to the 150 committee, I think I'm right here, Peter.

Barton: Well, perhaps more correctly the Nevada 150 Foundation.

Ostrovsky: The 150 Foundation, excuse me.

Barton: They established a private - the Sesquicentennial Commission formed a separate group, an allied group similar to the Nevada Cultural Affairs Foundation is to this Board, and called it the NV 150 Foundation, Inc.

Ostrovsky: Yes. That Commission expired by limitation at the end of...

Barton: Last December 31st.

Ostrovsky: December 31st of 2014. Come to today, I get a letter from the Governor, dated December 1st, I received yesterday, which I had not received the official letter, but I got it forwarded to me electronically.

Addressed to the Nevada 150 Foundation indicating to them that they will continue - the Foundation will continue and will continue to receive the license plate money. And that they are being considered the successor to the Nevada Cultural Affairs Foundation.

The reason for that is because I told the Governor's office that the Nevada Cultural Affairs Foundation cannot accept the license plate money, because the Foundation cannot meeting the accounting standards, rules, and audit trails required by the State.

I mean clearly just division of duties cannot be done, the Foundation is just a pass-through organization. So we suggested to the Governor that the money be moved to a more substantial Foundation that could meet all its requirements. And we recommended to the Governor's office that we move the funds to the Western Nevada Community Foundation. And that Community Foundation would then establish a subcommittee made up of appointed members, some from us, some from the old 150 Foundation to dispense the money, and for a very reasonably low fee they would do that.

The Governor's office has rejected that proposal, given the letter I received dated December 1st, and has indicated that the 150 Foundation will continue to receive and distribute the funds as required in AB 24, because I told him that the Cultural Affairs Foundation would cease to exist at the end of this year, for a number of reasons.

The only transactions we had this year for example is the Foundation distributed \$15,000 to Nevada State Museum in Las Vegas for the purposes of meeting some ADA requirements, and enhancing the visitor experience here.

We also, we had some other funds in the Foundation, two accounts, we had an endowment account, excuse me for Marjorie Russell Textile Collection, from the Gill family. I approached the Gill family, if they would permit that endowment - the endowment requirements to be removed so that the money could be expended, because the endowment is so small, it doesn't product any interest, to be of any value. They agreed in writing to me that that was okay.

So I moved those funds to our private funds budget, \$9,191.83. We also had an account for the Tory Archeological Group and I don't know what the restrictions were on that. I don't believe there were any. We moved that \$1,450.78 to the private funds budget, which Peter then moved to the dedicated - it went to the Treasurer's office, both of those accounts I believe.

Barton: Do we know?

Ostrovsky: We were in the process of doing that. The money has been moved to a Morgan Stanley account. That eliminated those two accounts.

The only funds remaining in the foundation are \$4,455.65 of which approximately some are between \$1,000 and \$2,000 are going to be required to final IRS payments, when I say payments, we have to have a tax return filed, that costs between \$700 and \$1,200 a year depending on the activity.

There is no other income, the Foundation hasn't had any income for two years. The only reason we had \$15,000 in there is because the 150 Foundation left some money behind to close out, and so we used that appropriately for the Nevada State Museum.

So we're in a situation where the Foundation will cease to exist December 31st of this year. So we were hoping the Western Nevada Foundation would take on the role that the current Foundation has, as a pass-through organization and they were more than willing to do that.

So we still may want to develop a relationship with the Western Nevada Foundation for our own purposes, but the 150 money, which amounts to - somewhere between \$35,000 and \$40,000 a quarter.

Barton: It's more than that.

Ostrovsky: More than that now.

Barton: Peter Barton for the record, the current number of license plates registered under the sesquicentennial plate, they've sold about 18,000, there's some attrition of course year to year. And I think they're up around 15,000, don't put that number down in pen, but it was 14 something the last time I checked.

But the current monthly revenue realization is almost \$35,000, so it's close to \$400,000 a year, because they're still selling the plate. And that plate goes off sale on October 31st of 2016.

So there's a finite period for increasing the revenue and then after that there is some diminishing returns over time. And the attrition rate, according to DMV is about 10 percent a year on special

license plates. Some do better, the Las Vegas centennial plate continues to do very well.

I believe, if I recall correctly from the last special license plate commission meeting, the sesquicentennial plate is the third most popular plate in the State right now, behind Las Vegas Centennial and the Lake Tahoe plate.

So it's still very popular, I had spoken a number of times with Claudia that through tourism we wanted to make a push on sales of the plate, because up until this letter arrived, there was a presumption that these funds would come to the Western Nevada Community Foundation, and we had outlined a program for the Governor, whereby we would create this five-member advisory group, who would manage the funds, and that we would do an annual grant program, consistent with the legislative intent and the law in AB 24 that the monies be used for historic preservation, heritage education, and museums across the broader pallet of Nevada.

What this division lacks that the Nevada Arts Council has is the ability to offer grants to their constituents if you will across the State. There are in Nevada somewhere between 70 and 90 museums, however you define them who [inaudible 01:38:31]. I mean we're now - we mentioned yesterday that the Central Nevada Museum is in dire threats.

The Pahrump Museum is threatened, just to have a grant program where you might take \$100,000 of that money a year and do a competitive program for general operating support or special projects, that was all yet to be determined, where these organizations might get \$5,000 or \$10,000. That means the difference between success and failure to small organizations. The Sparks Heritage Museum, I've seen their budget, they run on \$30,000 a year. My God, what could they do with \$50,000 a year.

Ostrovsky: Because you know Peter, I had recommended to the Governor's office when they - this is Bob Ostrovsky, when they rejected the idea of the Western Nevada Foundation. I said, well the alternative is give it to the private funds budget. Let this Board direct the money as required under AB 24 of the 2013 session. And up until yesterday afternoon, when I got this email here at the meeting, I assumed that that probably was the direction they were moving.

It is not the direction they're moving in. My discussions with the Chairman of the 150 Foundation is that they thought - they had some wrap-up projects they wanted to complete, and that they would go out of existence at the end of this calendar year, 2015, but it appears from this letter that that is not - and by the way I have copies of the letter for everyone, that is not the intent at this point. That is for the 150 Foundation to continue on...

Ostrovsky: To expend these funds. For the record, Bob Ostrovsky. Peter is responsible for reporting...

Barton: Reporting of the revenues and expenses made using proceeds from the special license plate.

Ostrovsky: To the legislature in this letter instructs the 150 Foundation is requested to cooperate with the Division of Museum and History and the Department of Tourism and Culture Affairs and the production of all reports required by AB 24 and that may be periodically be requested by my office.

So we have the reporting responsibility for the expenditure of the funds, but we don't have any control over the funds.

Barton: Yes, and I'm the one who gets called to testify in front of IFC.

Ostrovsky: That's correct.

Barton: And they have questions on how the money is spent.

Ostrovsky: How the money was spent.

Stoldal: Part of the issue is there is a precedent for this process and that is the Las Vegas City Centennial Commission didn't go out of business but because of the license plate, it is now the - it does have a grant process which is mirrored to some degree after the Commission of Cultural Affairs, but it's going through a real challenge in that process as well. So it just - it's going to be interesting to see what this group does as far as how they - are they going to have to follow the State law, although it does seem relatively broad, the categories of how they can allocate funds.

Ostrovsky: And this for the record Bob Ostrovsky. It is, you know this letter declares that they're the successor to try to clear the law. Whether the legislature will agree to this or want to do something different, I don't know, but I mean we are a creature of the executive branch, and you know I would - when I get the opportunity I will ask the Governor what he intends long term. I would still like to get the money directed to the private funds budgets for our purposes under AB 24, but...

Stoldal: I think you're going to have to request a number of staff...

Ostrovsky: This was new yesterday afternoon, and new to Peter. So what I was going to go on to say is when the expenditures are done at the foundation, the remaining \$2,500, whatever we - will be donated to this - you know our private funds budget.

Stoldal: That's a significant piece of change. I was under the impression that the sale of new license plate for the sesquicentennial went out October 31st of this year.

Ostrovsky: And that's not correct.

Stoldal: Next year.

Barton: Yes.

Stoldal: So they can continue to - you can continue to renew your plates, but after a period of time, you can't buy new ones.

Barton: That is correct. And the reason for that is, typically special license plates don't have that sort of sunset, but because the Sesquicentennial Planning Committee wasn't founded until 2012, and the typical lag time between applying for a special license plate and getting it approved is five years, we had an obvious problem in 2012.

So the way it evolved was that the legislative leadership thought okay, we'll allow this plate to go forward. We'll let it circumvent the cue process, but to do that, we're going to put a sunset on the sale of it to be fair to other interest groups that have been in the cue for a long time for a special license plate.

Ostrovsky: And then this is Bob Ostrovsky for the record. And the sunset was pressed very hard by certain members of the legislature, one of which just called me on the phone, she probably just heard

about this, Maggie Carlton. So it's kind of unsettling this new news, but [inaudible 01:44:23] I literally got this I don't know what time - Peter it was forwarded to you.

Ostrovsky: So I report further at the next meeting, but that's the status of things as of today.

Stoldal: And under the Nevada Revised Statutes, I think that there is only 30 license plates under this category, but the reality of it is, there are close to 60 special license plates for the Masons, for the Veterans, and I mean if you look into it, there are a lot of special license plates, not just the 30...

Ostrovsky: This is Bob Ostrovsky for the record. I mean the original intent when Richard Perkins was the Speaker of the Assembly, he's the one that pushed for the license plate committee.

He was a policeman at the time, he was Chief of Police in Henderson.

Ostrovsky: Hated special license plates, he'll tell you that himself, because he views it from a policeman's eyes which are, give me one set of plates, everybody can recognize what they are. So he created that which started with only 25 license plates, trying to rein in this thing.

What he couldn't rein in was individual legislators, or the executive branch, bringing forward their own license plate bill. So it's helped, but it hasn't stopped the process.

Stoldal: The outside 49 billion dollars has been raised with the license plates for charitable and different organizations. The City Centennial Commission has received 18 million dollars and the vast majority of that has gone to preserve historic projects and fund various things, I mean so the bottom line is 50 million dollars has come through the system, but has done I think a lot of good around the city.

Ostrovsky: Yes, and this is Bob Ostrovsky. It's voluntary money, no citizens has to buy one of these plates, they can have a standard issue plate, they don't have to do this, so it's voluntary money on the part of the citizens who decide that they want to buy one of these plates.

So I'll report next time, but that's the status of today. Hopefully, I'll get a chance to talk to the Governor's office. I will talk to Bud Hicks, who is the President of the 150 Foundation. He's a good guy, and I'll see what's going on. I just haven't had a chance to do that.

Stoldal: I suggest that we take a 15 break to go grab our lunch, and we can sort of work through while we're eating lunch, so it's now 12:20, we come back here at 12:30 and start the meeting again.

[Short break taken.]

Stoldal: But let's go to item number one, policy governing preparation, dissemination and recording of minutes of the Board of Museums and History, Peter?

Ostrovsky: Could we, Mr. Chairman, something I should have mentioned, before we leave finances all together, we need to have a finance committee meeting to do the budgets. When do we need to do that?

Speaker: That's usually scheduled in May.

Ostrovsky: In May.

Speaker: Yes, so the next subcommittee is usually scheduled during the...

Ostrovsky: So we can schedule it at our next meeting. That's all I wanted to be sure, we have time, thank you.

Barton: Okay, Mr. Chairman for the record, Peter Barton. The first policy that we're going to look at and these were, as the Chair had said earlier, they came out, they're an outgrowth of the 2006 LCB audit, which indicated there was a lack of policies for governing the Board's activities. So we created the six key policies and have reviewed them every year. And they're so noted when they were adopted, when they were reviewed, and what years revisions took place.

I generally try to show any proposed revisions that we are proposing in italics, so if you look at recording minutes and how they're disseminated, preparation of meeting minutes, and dissemination of the recording the meeting minutes has changed.

We've suggested an alternation to be conforming to our current practices as well as our requirements for posting as are appropriate under NRS 241...

Barber: 241 is the open meeting law, yes.

Barton: Which requires that meeting minutes be posted, even if draft, it can be shown as draft within 30 days of a meeting. And...

Barber: I don't think it has to be posted. It just has to be available.

Barber: So if you want to post it, that's fine. It just has to be available within 30 days if someone asks for it, even if it's a draft. Most agencies do put them online, because a lot of times it will save an inquiry to the office, asking for the minutes, if they're available online.

Stoldal: The second part of that is if it's going to be on the agenda for us to approve it, it has to be online.

Barber: That's only for local government. So local governments have to post supporting documents. This Board is...

Stoldal: Well, I mentioned it's only for local governments.

[Laughter]

Barber: Yes, so just state agencies have to have supporting documents available upon request. So again, if it's on a subsequent meeting agenda to post the minutes - or to approve the minutes, if someone asks for supporting documents they would get the Board book like we have which includes the minutes.

Local governments do have to post supporting materials online, but as of now, all that this Board has to do is just have a note on the agenda that says, "for supporting materials, please contact, a name".

Barton: We do post them I mean...

Barber: And there's nothing saying you can't, just you don't have to.

Barton: As a matter of policy, we do to be fully transparent, we allow the public to see those documents but then to debate them here, and we do put them up.

And NRS now requires that meeting minutes be approved at the next meeting that the public body meets. So it's put us in the position where if we meet today, technically our next public meeting is February, even if it's a Board retreat, we'll have an action item to approve the minutes of this meeting, and likewise in March, we'll have the February meeting, unless there's some extenuating circumstance, which might be the case in March, because I know there won't be 30 days between when the Board retreat is in that March meeting. So we get a pass on that, until the June meeting.

Stoldal: But we will have somebody there taking minutes?

Barber: All Board meetings, you know even if it's a retreat are required to have minutes.

Barton: So those are the recommendations I believe - yes, that's the only - yes, that's the only changes on that.

Stoldal: I look for a motion to approve the changes.

Diamond: Renee Diamond, so moved.

Dwyer: I'll second, Doris Dwyer.

Stoldal: We have a motion and a second to approve the changes in italics of the Division of Museum and History Policy governing preparation, [inaudible 00:04:45] and recording of the minutes. Further discussion? Hearing non, all those in favor say aye, [ayes around], those opposed. Motion carries.

For the record, just let me double check, we do have a quorum?

Barton: We do.

Stoldal: And for the record - let the record reflect that we do not have any public in attendance.

Speaker: Correct.

Stoldal: Which is the reason why I haven't asked for public, either on the telephone or in person, let the record reflect that. 12(2) private funds budgeting, expenditure and general control, I notice that there is a change in the [inaudible 00:05:34] of the fund regarding the Prison, Peter.

Barton: Correct, this is a little clean up language to indicate that in the Treasurer's office we have another and a new budget account that conforms to Assembly Bill 377 which is the Nevada State Prison Account, Budget [inaudible 00:05:55] 5040?

Edlefsen: 5040.

Barton: I thought 40 was the number. So there's a slight change there, and then on page three, I tried to clean up this language to make it a little bit clearer. In the first bullet point where it indicates that the Division's Administrator has the authority to approve budget changes of up to \$5,000 per change, per budget, with a maximum of \$10,000 total per budget, per fiscal year under the

authority granted by the Board of Museums and History. We were trying to avoid this creeping up to some much larger number. And the last change I believe is on the last page, the last bullet point, private funds will be audited annually by an independent auditor, under contract to the Board of Museums and History, just to reflect the actual way we do that. And I should note that my conscious, Carrie, reviewed these policies as well to give some input on where changes, she felt were required to reflect the accounting processes that are important.

Dube: Pete Dube for the record. So is this the policy procedure area where we talk about a limit on how much money we should hold in the investment account? Or do we need something like that when we get in that discussion.

Barton: I think that's open for discussion. I would probably put that under the investment policy, which we looked at earlier that we might say you know it's the intent that the investments not exceed Y dollars.

Dube: Okay, I was going to bring it up there again - I was going to bring it up there, and then it seemed like that was really talking about where we invest our money, and so this one seemed to be like we're talking about expenditures and things. But I agree with you, I just - I didn't know if it was something we could just decide without policy, or do we need to talk about it.

Ostrovsky: My understanding, at least to what you Mr. Chair is that we ought to discuss it in the planning meeting.

Ostrovsky: And that we have the option of changing these policies. We can do it whenever we want so if we decide that we want to put some parameters on the amount of money, we can come back and change it. But I think it belongs in the policy as you suggested. Not in the investment guidance, but the...

Stoldal: Because that's just an investment policy, not an expenditure policy, so it would fall into this category. So with that, I'll look for a motion - oh, I'm sorry.

Barber: Is that just - Alicia Barber, is that specifically the language for what the account is for the Nevada State Prison? For the historic preservation of the Nevada State Prison?

Barton: I believe I took that - for the record, Peter Barton, I believe I took that directly out of the Bill.

Stoldal: But if - I mean the motion could be to have it reflect, if it's to reflect what's in the legislation.

Barber: And it probably does.

Dube: Then I'm prepared to make a motion that we accept this policy pending verification that that's the right language for the present funds.

Stoldal: Collecting what's in the...

Dube: [inaudible 00:09:59] motion.

Stoldal: Peter, is that clear enough. Great. We have a motion, do we have a second.

Diamond: Renee Diamond, second.

Stoldal: A motion, we second, any further discussion on the motion for private fund budgeting expenditure in general control policy and procedure? Hearing none, all those in favor say aye {ayes around}, those opposed. Motion carries.

Item 12(3), membership, Board of Museums and History Membership policy.

Barton: Mr. Chairman for the record, Peter Barton. I have not recommended any changes to this policy at this time and would hope that in the coming months, we'll get the membership committee which hasn't been able to meet, to really review this. I don't believe that has happened, so at this point I'm suggesting, let's leave it alone and ride with it, with the understanding that the Membership Committee has made a commitment to meet, and review this in actually far greater detail than what's in this policy.

Stoldal: So it would be a motion to adopt?

Dube: Mr. Chairman, Pete Dube, I make a motion we adopt the membership policy.

Diamond: Renee Diamond. Second.

Stoldal: We have a motion to adopt as it stands, the Board of Museums and History Membership Policy, all those in favor say aye [ayes around], those opposed, that motion carries as well.

Item 12(4) policy governing open meeting law compliance, [inaudible 00:11:40] the answer is we will.

Barton: Mr. Chairman for the record, Peter Barton. Changes here just to be consistent with the fact that there are many more subcommittees than there were at this time last year, so we've listed those on page one under Museum Board and Subcommittee Meetings.

On page two as we talk - on the top as we talk about where the agendas are posted obviously the division moved, so we updated the address in bullet - or in item number one, and then in the narrative paragraph, we also made that change simply to reflect the location of the Division office, and I'd ask Sarah Bradley if there's anything else in there that I've missed that came out of the 78th session?

Bradley: No, I think it was good. I don't see any problems. The only thing I was thinking, but I don't think it has to be in here is the thing about the posting of the agendas, that you and I discussed at length, but I don't know that that has to be in here, you know the certification and get back.

Barton: Well, that's new to the law.

Bradley: I mean it is new, but I mean I think we have a pretty complete list.

Stoldal: Well, what would take to just add the one line? I mean...

Ostrovsky: What is the requirement that we're talking about, I'm sorry.

Bradley: Just that there was a change in the session where - and some agencies did this and Peter was one that already did it anyway, where he would send the agenda out by email to everybody who wanted to post it, and they would respond by email and say I posted it, and he would keep that. So he was one of the few that actually had that, but because there were some complaints raised at

the legislature, I think of people like watching bulletin boards, and seeing that it was 9:05 and the agendas were being posted.

The change was added that now all agencies have to have a signed copy with a person saying like for example, Sarah Bradley at you know 8:59 I posted it on such and such a date at such and such a location. They want actual official documentation and it does say a signature.

And so Peter and I discussed this a lot. We do think it can be an electronic signature, but we were going to make a form, kind of like the purchasing form that you showed me. We had a plan to try to make a form because I didn't want to make it more burdensome because Peter was one of the few I think that was doing it correctly anyway.

Stoldal: Well, why don't we do this. Why don't we look at the policy the way it stands here and when the two of you have sort of worked something out, we can add that if we feel we need to at the next Board meeting.

Barton: Sure, and if I can elaborate just for another moment. Peter Barton for the record. Yes, in the past the practice had been when I send the agenda out to whatever posting location, I said your email with the date and time stamp, and you're sending it back is certification it's been posted.

And that went - that was before this law had changed. With the change in the law saying it required a signature through the generosity of State Historic Preservation Office who was way out in front on this, we created and with Carrie's help, we created a fillable form which they now fill out. We do have to sign it, and they either scan and send this back, or send me the original.

And we keep these as part of the meeting record, when it went out and we have another spreadsheet that actually documents all of this. So it's - we are so well in compliance on this. It's one of those things you hope when an auditor comes in he goes, can we look at that, because I'm like oh yeah.

Barton: As opposed to some other things...

Barton: So we are compliant, but I think again Mr. Chair, you're right, we'll bring it back February or March, we'll just add something after those - after the posting locations, we'll add something that's - how the certification is documented.

Bradley: Okay. And I think it's something you keep for five years, like you keep your minutes and then you forward them to archive.

Barton: I am keeping them forever.

Bradley: Oh, okay, okay.

Stoldal: Pete Dube.

Dube: I have a question on the subcommittee recording of the minutes, if I [inaudible 00:16:09] subcommittee yet. Who does the recording, is that my responsibility as the Chair and then I forward it?

Barton: No. Presuming that someone from our office would be involved, we would digitally record it, send it out to the transcription service, prepare a meeting summary in the same way that we do for

a full Board Meeting.

Dube: So that said, I know I'm getting a little off topic here, is we want to kind of limit those kinds of meetings though because every time we do that it costs us money.

Barton: There is a cost - there is a cost associated yes.

Bradley: I mean the requirement is that you have a digital recording that's maintained for one year, and that you have minutes that are retained by the Agency for five years. We've discussed - I mean depending on your committee, you know maybe a transcription isn't necessary. I don't - I mean it's something for Peter and his staff to decide.

You know but yes all subcommittees have to be noticed, their public has a right to attend. We have to have a record of it, that's available.

But I mean sometimes the meetings minutes can be as simple as you know under agenda item one, you know there was a discussion regarding you know A, B, and C. You know Pete Dube moved - you know what I'm saying, I mean it could be simple.

Dube: So if I could continue on, so like we take instructions at meetings all the time. So you know we have an agenda, there are five things we want to talk about and I've got my computer on, and we're talking about it, I'm taking a few notes. What time we started, who attends, is that good enough?

Bradley: Well, what's required in the open meeting law is it needs to include who's there, so a list of Board members or Committee members that are present, staff members that are present, you know maybe for example that I'm present, if I am.

You know so people that are present, the time it started, location, date, etc., and then yes, a substance of all matters discussed.

So most of the time what I see is item one, you know public comment and maybe there will be a summary, you know five people gave public comment, or no people gave public comment or whatever. And then item two, you know so they go through the agenda, and sort of summarize it. And what the open meeting law manual says is just the substance of the items discussed.

So essentially it's really summary of that topic. The important thing that's required to be made with a little more specificity would be who makes a motion, who makes a second, and the vote. So like for example 402, or something like that, and then if someone does abstain, a lot of times the record should reflect exactly language, so like for example, earlier when you abstained from the vote, it would be you know Board member abstained from the vote because he is an employee of Wells Fargo, or something like that.

Because that actually - the reason for the abstention is supposed to be included in the minutes. Otherwise, yes, it doesn't have to be verbatim, not all agencies do transcription, but if you don't - because you don't actually have to have a recording if you do a transcribed, like court reporter person.

Stoldal: Renee Diamond.

Diamond: Renee Diamond for the record. So I understand if the meeting part, that's not so different, just the

process. What is you do a remote visit, how many people are required? Is it more than one person to be considered for open meeting law to go to a remote place?

Bradley: So for example a quorum of the full Board is half plus one, right of the full Board. And so for your Committees I think you said there were three people on your committee?

Speaker: Four.

Bradley: Four, so for yours you would have to have three people present to have the meeting. Because there's four people, half wouldn't be quite enough, so it's half plus one usually. So a lot of times you'll see odd numbered committees just for that reason, they'll have three, or they'll have five. I have had Boards that everybody is very interested in an issue, and so literally like everybody except for one person from the main Board is on the committee. It just makes it harder to hold meetings because the more people on there, the more people you need for a quorum.

So for your committee to have a meeting, you have to have three Board members present, regardless of where it's at. And the only requirement is that you have one public location. So that can be the Board office, and everyone else can call in.

Stoldal: But could those two people - those four people, could two people go out and visit the site together?

Bradley: Yes, I mean, so technically the open meeting applies when you have a quorum of Board members or subcommittee members present, okay.

So that's when we have to be super careful and not talk about Board business. But the problem is when you have two members going to talk about a pending issue, and they're reviewing the site, my guess is they're going to talk. And then it's really easy for one of them to talk to one other person - person.

Now, we've got three people talking about a pending Board issue and on your committee that would be a quorum. So we've now just violated the open meeting law, arguably, because three people - because the Supreme Court has recognized what they call serial communications and they call it a "walking quorum". So if Renee you know talks to Alicia who talks to Doris, we start getting, oh my goodness, we've got too many people talking about this thing.

And so that's why - I'm not saying they can't do that, but we want to be really careful about that, and maybe that could be part of the meeting, like let's say you need to review, I don't know, something somewhere, you have the meeting there, and you start you know in a room at that Museum location, let's say, you call for public comments, etc., and you say okay, now, we're going to take a tour of the basement storage area, then we're going to come back, arguably if the public wanted to come with you, we have to let them, as long as it's not dangerous or something like that, and then you can talk while you're - I mean it's kind of weird, you have a recorder as you go, but I mean you can do that and then come back and you know finish the meeting.

Dube: So on the Museum [inaudible 00:22:23] I can call Bryan and he and I can talk on the phone about like he's going to go look at the software, and he can tell me what he thought about it, and I can tell him, and then we can hang. And then I can call...

Bradley: That's a walking quorum, that's - what you're doing is essentially you are talking to the other members, you're have a meeting with each one of them, which together would violate the open

meeting law.

So no, the only person that any of you can talk to at any time is Peter and staff. So for example, what's supposed to happen, like let's say you see a really cool article and you want the rest of the Board to see it, send it to Peter. And then he can send it out, and he usually is going probably blind copy you, because what we don't want is everybody now replying about this article.

So arguably, staff is sort of - I think of them as you know the - everything should filter through them, they filter information to you, you send information back. Then you're not communicating with each other.

Because see the prohibition is you can't communicate with each other outside of a meeting. We want all deliberations and discussions to occur in the public, because the public has a right to know why you're deciding something, why you're making a decision that you are, and that's another reason too, that arguably, you shouldn't do investigations outside of a meeting, so that could mean you should not individually maybe tour the basement, I'm just making this up, and then come back and talk about your investigation.

Because is also kind of this idea that if the decisions you're making should be based on evidence and information presented at the meeting.

Dube: That's very helpful.

Stoldal: This [inaudible 00:23:57] Pete is the [inaudible 00:23:58] I may have to take you off the Chairmanship here.

Stoldal: The upside is it's really a benefit to having Peter, aside from the fact that that's the way we have to do it according to the law, that Peter in the loop on all of these things, it's just helpful that notes would go...

Dube: Oh, I absolutely agree on that. I was just trying to keep the [inaudible 00:24:20] down a little bit, but I mean yes, I was surprised that I can't even sort of communicate that way. So that's been helpful. Okay, I'm done.

Stoldal: Renee.

Diamond: So Renee Diamond. I took years ago, when I ran a State Agency, the AG's open meeting law seminar on a day. I recommend anybody who hasn't done this, the reason I ask that question about going to an offsite, is because I knew the answer, and I knew - I wasn't quite sure how we'd record it.

In any case, some of those wrinkles are new, but the basic concept that you can't talk to anybody about anything, which is difficult in a State like this, where you go to a cocktail party, or play golf with people...

Bradley: Well, and the open meeting law recognizes that social gatherings are going to occur. You're all in the profession, perhaps three of you end up at the same conference or something like that, and that's fine, but again you just want to refrain from talking about Board business even if you run into each other socially.

And going back to that, I was going to mention this when we talked about the retreat yesterday,

but it didn't seem like this was a topic that you wanted at your retreat.

But what a lot of Boards do or have done is they'll have a retreat and I will do training for them, and you can ask me specific questions about for example, the open meeting law or something.

So I have presentations, I'm willing to do that. I also have other topics that maybe you care about, maybe you don't like ethics in government is one. I mean there are some other issues that could be important to Board members, especially new Board members and again, I'm happy to do it any time, as part of a meeting, whatever you'd like. I could do an hour or half hour open meeting law, whatever - again, whatever you like.

Stoldal: There's an annual - the annual session was in October.

Bradley: We usually have a training every October, however, my new chief does want to do another one I think in March or April. He's like - he want to try to do it twice a year, and so I'm not sure. I think that's what we're talking about doing one in the Spring.

Barton: Well worth your time.

Stoldal: Yes, because the last one - I attend them all just because they tend to be a refresher, and quite frankly the hat that I have - the other hat that I wear, it's also good primer for journalists to go through to really get a sense of what the rules are.

And it's presented in a way that is helpful about one that - so you can't do that, it's just hard core, especially the open meeting and the other. I enjoy them, they tend to - they just tend to be very informative and very, very valuable and plus if you attend those meetings and you should ever violate something at least you can say well, I did do it out of malice of forethought.

So do we have a motion to approve?

Diamond: So moved, Renee Diamond.

Stoldal: Do we have a second?

Dwyer: Doris Dwyer second.

Stoldal: All those in favor say aye [ayes around], those opposed, motion carries.

Let's - we already did the investment policy and would you let - make a motion or let the Board know, this Board know if there's a March one coming up?

Bradley: Yes, I definitely will, I only said it to Peter, and I do apologize, I think last year I sent it to him a little bit later, but I [inaudible 00:27:36].

Yes, but I do always let Peter...

Stoldal: That was helpful, that was how I really got alert to it. Item 12(6) admission and train ride fees.

Barton: So the admissions and train ride fee policy, there are no changes recommended in this policy by staff, certainly want to take your input...

[operator: Your conference is ending now, please hang up.]

Barton: You know, what do you hang up.

Speaker: That's a sign.

Diamond: So what company is this?

Barton: It's AT&T, I don't know.

Diamond: Let's void them, they just raised their rates.

Barton: So again, back to this policy.

Speaker: Was that a motion?

Barton: The Board actually sets the fees for admissions and train rides at the quarterly meeting, at June or right before the fiscal year changeover, because that influences fiscal year budgeting report, or it potentially could. So this is kind of how we go about it, what the approved free admission days are, and I guess that's about it. Again, it's open for your comment.

Ostrovsky: Peter - this is Bob Ostrovsky. Did we set fees for outside use of the building or policy? Does that belong in here?

Barton: That is its own committee, Bob, now.

Ostrovsky: Pardon me?

Barton: There is a committee chaired by Mr. Markoff now, and I know he is actively looking at the facility use policy and fee. So that committee is going to come back with something that...

Ostrovsky: So we can add that later.

Barton: Yes, exactly.

Ostrovsky: Because we used to have the room we're sitting in now, right?

Barton: Yes, we do.

Stoldal: But [inaudible 00:30:00] he's looking specifically at things like revenue items like renting the train out or those kinds of things. So he'll have a report on that at the next meeting.

But maybe we won't need it included in the policy, so let's look at that at our next, at our annual meeting.

On the other hand, I was thinking about Peter, so we want to attach their annual meeting to this document, the actual fees? Is there a benefit to that?

Barton: I don't know that there's a down side at least.

Stoldal: Okay, why don't we just go ahead and - it's the only one I could look where we would actually...

Barton: Marry the two together.

Stoldal: So [inaudible 00:30:50] approve the [inaudible 00:30:50]?

Diamond: Renee Diamond, so moved.

Dube: Pete Dube second.

Stoldal: Further discussion? Hearing none, all those in favor say aye [ayes around], those opposed, motion carries.

Item number 12(7) ethics policy will be distributed at this Board meeting.

Barton: And that's not a true statement unfortunately. The Board Ethics Policy again, for the record Peter Barton, as mentioned by the Chair was passed by this Board in 2004, or 2002 and it was - at that point in time what was passed was just a complete mirror version of the American - at that time American Association of Museums, now the American Alliance of Museums Board Ethics Policy.

It was time to take a look at that and we began that process of review and with two Museums about to undergo re-accreditation, two State Museums, Carson City and Las Vegas, we found that the - just parroting over what was in AAM's policy was no longer sufficient, that there are some specific issues that we're dealing with that need to be incorporated in that policy.

I've gotten input from staff of those Museums, but I simply ran out of time to try to marry those two into a cohesive policy.

I apologize. It is 80 percent done, but there are still some issues that I want to further explore before we put a new policy forward.

Stoldal: Well, we do - we want probably two or three things. We can either adopt the existing policy, readopt it, we can table this until our next meeting which would probably be the best thing to do, but we would need a motion to table. Or do we need a motion to table?

Bradley: I don't think so, I mean unless someone wants to talk about it now, but as long as everyone is sort of in agreement, I mean there's you know...

Stoldal: Well, then we'll table it. Consider it tabled and put it on our next agenda if that's okay with everybody.

Item 13 private fund budget and adjustments for possible action, nothing from the administrative level. 13B, changes requested from the Board over \$5,000. Increase authority in the Budget Account 5036 by \$25,000 to an adjusted authority of \$155,340 to reflect additional - okie-dokie.

Diamond: Case closed.

Speaker: We [inaudible 00:33:46] their money.

Stoldal: Well, there's no backup material for this cooperative agreement...

Edlefsen: Carrie Edlefsen for the record. We don't generally provide backup documentation for them, but if you would like, we will start doing that.

Stoldal: I think this Board needs to become acquainted with as much detail as we can about the BLM. And that's one of the things that we really ask for if you could send out the current - or I guess this would be the most updated version?

Edlefsen: This would be the most recent. It would show all the amendments up to this point.

Stoldal: Well, I don't think we want to turn down any money.

Diamond: So Mr. Chairman, Renee Diamond. I move that we accept, because I never turned down a dollar in my life. This money, but along with our generally new situation, we'd like to know about it, but I move that we accept this money for accounting purposes, we need to accept it.

Stoldal: And that would include in your motion the fact that a copy of this new agreement be sent out to all the Board members.

Diamond: Exactly.

Stoldal: Great.

Dube: Mr. Chairman, for the record Pete Dube I'll second that and I will just add I think at our last Board meeting, we actually got a copy of it, because I remember we were reading through it, and it talked about specifically shelving and - so we actually have seen it at the Board before, but I'd like to see it again.

Edlefsen: Carrie Edlefsen for the record. Up this one, this is a new one that occurred after that one.

Stoldal: So we have a motion, we have a second, further discussion? Hearing and seeing none, all those in favor say aye [ayes around], those opposed, motion carries.

Timmons: Mr. Chairman, for the record I'm going to abstain because of my relationship with the BLM. This is Member Timmons.

Stoldal: Have you gotten any money from them?

Timmons: No. It's in a pending status, so until I officially know whether or not I have been accepted or not, I'm going to kind of step away from the BLM issue.

Stoldal: Sure. There's too - even if you do get accepted, some basically is a declaration is also good, you're not necessarily having to abstain, unless there's a cash...

Speaker: Formally it's - I mean it's required by law if you have a financial relationship with them, and the matter coming before you would benefit you or your like company or something like financially, or someone that you're related to within the third degree of consanguinity and then the other option would be if you feel like your knowledge or somehow you would be biased.

So for example, if you're concerned that you would be not wanting to voting no, because they may not - you know what I'm saying, if you feel like somehow that relationship biases you in some way, you can then just abstain for that reason.

But yes, you do always say what the relationship is for the record.

Stoldal: Thank you. Then we'll go onto 13(C) - so let the record reflect that whoever abstained, 13(C) restrictive funds/donation received, discussion and action on request to accept restricted funds in the amount of \$2,700 from the Nevada 150 Foundation for the Museum's Capital Enhancement Fund. These funds will held in the State Treasurer's office, further discussion? Explanation.

Barton: Perhaps, just an explanation, Mr. Chairman, Peter Barton. The Nevada Sesquicentennial Foundation in fulfilling a request from the Governor's office to create and deploy a post-sesquicentennial exhibit was involved in just that, in putting the sesquicentennial closed December 31st of 2014, the NV 150 Foundation went out and hired a private exhibit firm to design and fabricate an exhibit, which was in the legislative building for two or three weeks.

We then took it to Grant Sawyer for three months, sent it out to Elco, it came back to Carson City in December, and it's final disposition by order of the Governor was to go into Battle Born Hall on the second floor old Senate chamber side, or the second floor of the Capitol where the Museum under an NRS has to manage an exhibit program.

We needed some funds to make that happen, to get the equipment the exhibits in place and make them a little bit more ADA compliant, so to do that the NV 150 Foundation provided these funds at our request, to enable that to happen.

That exhibit was installed and the Governor unveiled it right before Nevada Day, two weeks before Nevada Day. So it is upstairs on the second floor.

You should also know it's not related to this directly, but we've been asked by the Governor's office, if you're familiar with the exhibits in the old Senate Chamber, they were put in about 1976, they're painted an awful shade of purple.

Stoldal: The exhibits themselves are close to being historic.

Barton: They are.

Speaker: They are so close.

Barton: They've been around a while, they're very tired, they need to be updated. The Governor very much wants to update it during his tenure. I'm working with Jim Barmore, we've come up with a plan to revitalize not just the exhibit, but the entire capital program, to make the capital tour program, something that Nevada can be proud of as opposed to, well, we did it, and it's just good enough, which is kind of the current state.

Well, it's not even just good enough in its current state, but we're working on that plan. That could be a half million dollar exhibit renovation. We're looking to ask for a staff person to help manage the Capitol tour person, have someone there to enable online booking through the Governor's website.

If you want a Capitol tour, because you'd be amazed at the number of people who come on a daily basis to tour the Capitol.

Stoldal: Where are we going to [inaudible 00:40:19] this money from?

Barton: So - well, that's the elephant in the room is that I said it's probably a half million, maybe even a little more to do this and do it right, we don't know where the funds will come from. Our proposal will be to the Governor, this is what we would propose, help us find the resources.

I believe the NV 150 Foundation has it in their mind to deploy some of the license plate funds to make this happen as a legacy project of the NV 150, which would be an appropriate use I would argue.

Stoldal: I thought it would be a great [inaudible 00:40:59] I would not be excited about going to the legislature and asking for the Museum gets \$500,000 [inaudible 00:41:09] I think - but you're on the right track I think.

Barton: So that's kind of the long story that is tied to this, but not directly.

Stoldal: Looking for a motion to approve 13(C)(1).

Timmons: I make the motion to approve 13(C)(1) as presented.

Dwyer: Doris Dwyer, I'll second that motion.

Stoldal: Further discussion? And as a rule is there is a one there should be a two, but...

Barton: Whoops, well. We try to keep cleaning this act up.

Stoldal: We have a motion for - to approve item 13(C)(1), all those in favor say aye [ayes around], those opposed, motion carries. Thank you.

Item 14, public comment and discussion. Public comment is welcome and opened by the Board, as well as Board members. Do we have any members of the public here.

Speaker: You've got to limit them to three minutes.

Stoldal: Hearing none, seeing none, is there anybody on the line.

Barton: We lost the connection. And there was no one there.

Stoldal: All right, let me - I like to have on the next agenda, develop a policy, regarding the acceptance of collection by the various Museums.

And Peter if you could set a dollar amount for the \$5,000, I think we've got some elements within our own policies that maybe within statute that there is - there's existing dollar amounts where it has to be approved by the Administrator, by the Board, so we can avoid - the language has to include where the Administrator is involved in the process early on rather than at the last - after a decision has been made.

I don't know if there is a template out there that we can...

Ostrovsky: Mr. Chairman, Bob Ostrovsky. Are you suggesting a dollar limit in which the Administrator can just sign off without our approval, so we don't have to see every little item that might be...

Stoldal: No, I'm thinking about a slightly different, although that would be the result of that where the - if

let's say Dennis here receives a collection of swizzle sticks that are worth \$300 or \$400, he doesn't have to ask Peter's permission.

But if there is a collection of artwork that exceeds a certain amount, that the Administrator would help - maybe we have to deal with size as well, I'm not sure.

Barton: If I may, Mr. Chairman, I think we want to avoid the - basing it on the monetary costs, because we're not in the business of appraising collections that come in.

Stoldal: Okay.

Barton: It gets into capital - we have to do non-capitalization reports every year, and if we start to capitalize collections it opens up another Pandora's box.

I think what - if I'm understanding the situation is we want to avoid, in the situation of restricted donations, which are under NRS 381.0075, which defines it as requiring a division Administrator and Board approval.

We want that before a Museum Director or a Collections Committees engages in a conversation that could result in a restricted, under a deed restriction that that be brought to the Administrator and then to the Board before any documentation...

Barton: I think that's exactly what you said, but if I'm reading the situation right, that's what we - we've got a situation with restricted donations in collections, deed restrictions which have chronically plagued this Board and this system, because we do things like this that can have unintended consequences.

So to avoid that, we need to put in place a short circuit if you will that before these documents are drafted, or executed that it's brought before this body, before anything is finalized. We're kind of forced into actions yesterday that may have been uncomfortable for some.

Stoldal: I'm not sure if this Board needs to be early on in the process, but the Administrator needs to be early on in the process. I don't think we - I would like to avoid what occurred yesterday to where it's a done deal, here Peter.

Barton: Yes. Here, sign this basically is...

Timmons: Member Timmons for the record. I have confidence in the Administrator that he'll take the Board's heart when he's looking at those grantees to the point where we can feel confident in approving them once the administrator has reviewed it.

Stoldal: That's something on the next...

Barton: I have them...

Stoldal: Okay. I guess that was item 15 that I was talking about, Board member comment on non-agendized items. Any other comments from the Board Members? Future agenda - I was talking about number 16, that's where I was on future agenda items.

Barton: What I have here Mr. Chairman is we're going to do some work and report on web social media update, optimization and the website, we talked about coming back with some further

information.

An evaluation of the cost for the coin press. What it costs us to stamp out a medallion and should that be updated. I would mention that at the next meeting which would be February by statute, by NRS 381.002, Section 3, we'll elect a Chair and Vice Chair, so that will be on the agenda for the next meeting as well.

And that's in this with the policy on accepting donations and the other items that had to be revised.

Stoldal: As a precursor to - well, we could probably address it talking with them. I'm certainly going to mention that since the 70s, I think we've elected three Chairmen, three Chairs.

Barton: Really?

Stoldal: Well, it's been the tradition of this Board going back to I think Dr. [Shefferson] and right that they found at the end of the revised statute until replaced, and they have used that to put in front of the - so we've haven't had an election for a while.

Speaker: Well, it says - in the NRS it says every two years, at your first meeting in the odd - or sorry, even numbered year, so it says - what it says is the term is two years, and the elections are to occur the first meeting of the even numbered year.

And then it says - but it says two years, or until the successor is elected, because of course you could have a meeting in February and then two years later, you're first one is not until April, arguably it's more than two years.

And so they're saying - at least the way I'm reading it and understanding is it's two years approximately but it's really that first meeting of the even numbered year.

Stoldal: Right, and they've interpreted that it lasts until the successor is selected.

Speaker: No, I think you have to have the election.

Stoldal: Oh, I'm not - I have nothing to argue, I can give you the history. I think we go back and we've had three or four, Renee.

Diamond: I only remember three.

Stoldal: In the last 40 years. So with that, I have all your addresses, and you'll be receiving campaign material.

[Laughter]

Stoldal: And that Christmas card you're getting is one of sincerity.

Speaker: The [inaudible 00:49:03] will be really all you need.

Diamond: You mean we actually have a Vice Chair.

Stoldal: Yes.

Barton: Bob Ostrovsky is Vice.

Diamond: Are you the Vice Chair?

Ostrovsky: I'm Vice Chair. I have in fact Chaired when Bob was absent.

Diamond: Yes, one time.

Barton: And we have just...

Speaker: By a higher power, we didn't even know...

Ostrovsky: I know the duties - I know of the Vice Chair are to fill in for the Chair in his absence. That's all we have.

Barton: We have done this election. We've been doing it every two years, we have.

Stoldal: We have.

Barton: Since I've been here, I've been following the law. We can go back.

Speaker: I believe that Peter is correct. I don't remember the last election.

Stoldal: This is the funny stuff you guys are talking about. All right, any further business?

Barton: Well, I would just before we adjourn, and I want to thank everyone for the commitment for two days here. This has really been, I think much more productive, because we haven't had to sit here and go like this as the afternoon wore on, worry about that return flight.

So I want to thank you all for all the contributions you make, please enjoy the holidays, be safe out there. It's a crazy world. And I'd ask you to keep in mind a couple of our own who are going through some tough times.

We talked yesterday about our website, and we learned late yesterday that our webmaster, Chris Matthew, who's been out of the office somewhat unexpectedly this week, his daughter was diagnosed with Leukemia this week.

And last week another one of our family, her grandson was diagnosed with cancer. It's been a little tough week for the tourism folks. So keep those - send some good thoughts to those folks if you would.

Stoldal: Peter, appreciate that and I - the issues that are going to be coming before this Board are more complex than maybe in the past, whether it's storage and collection, whether it's the future of this division and how things are going, but I really feel that [inaudible 00:51:12] there were some good discussion, good explanation of the challenges we face with collections, that we wouldn't have gotten to. We all would have been looking at okay let's get to the next one, and so I think it's valuable.

I look forward to the February meeting, and we will move from there.

Meeting adjourned. Thank you all. [1:40pm]