

August 20, 2004

MINUTES OF THE MEETING OF THE BOARD OF GOVERNORS

A regular meeting of the Board of Governors of the State Bar of Nevada was convened on August 20, 2004, at the Gold Hill Hotel, Gold Hill, Nevada.

The following members were in attendance:

Ann Price McCarthy	...	President
Vincent A. Consul	...	President-Elect
Rew R. Goodenow	...	Vice President
Constance Akridge		
Nancy L. Allf		
Bruce T. Beesley		
James Bradshaw		
Kathleen J. England		
Cam Ferenbach		
Dara J. Goldsmith		
Bridget Robb Peck		
John P. Schlegelmilch		
William C. Turner		

The following members were absent:

N. Patrick Flanagan III
Richard Morgan
Bruce Shapiro

STATE BAR STAFF PRESENT:

Allen W. Kimbrough
Rob Bare
Marc Mersol

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GUESTS PRESENT:

Jeremy Hilsabeck

Luke Puschnig

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1. CALL TO ORDER AND INTRODUCTIONS

The meeting was called to order by the President at 9:10 a.m. and a quorum was declared.

2. APPROVAL OF MINUTES OF PRIOR MEETINGS OF BOARD OF GOVERNORS

The Minutes of the May 12, 2004, meeting of the Board were corrected to reflect that Ms. England was absent. A question was raised as to the accuracy of paragraph 17 regarding the tabulation of the mandatory pro bono reporting forms. The Executive Director (in his capacity as secretary to the Board) was requested to review his handwritten notes from said meeting to determine what actually transpired and to report back to the Board at a subsequent meeting. Mr. Ferenbach requested that paragraph 25 be revised to reflect that he was out of the room for the discussion of the *Michel* matter. With those questions and revisions, the Minutes were approved.

With respect to the Minutes of the June 16, 2004 meeting of the Board, a typographical error was noted in paragraph 19 (should be "Boadt") and a request was made that paragraph 25 be corrected to reflect that the gift of diamond earrings to Mrs. Flanagan was made from individual contributions of Board members and not from State Bar funds. The Board thereafter approved the June 26 Minutes as revised.

The Board requested that hereafter the minutes reflect the number of yeas and nays on divided votes (with the exception of Board appointments to committees).

The Minutes of the July 1, 2004 meeting of the Board were approved as presented.

3. REPORT ON ACTIONS AND RECOMMENDATIONS OF THE OPERATIONS COMMITTEE

The Minutes of and actions taken in the meetings of the Operations Committee on June 30 and July 14, 2004 were approved unanimously.

4. REPORT OF DIRECTOR OF FINANCE AND INFORMATION SYSTEMS

Director Marc Mersol presented the financial statements for the State Bar and the Nevada Bar Foundation as of June 30, 2004 and explained several variations from the current budget, including unanticipated expenses related to the Northern Nevada Bar Center and the inability to allocate copying charges between departments. He also responded to questions regarding the investments held by the State Bar.

Given the cost overruns from the 2004 Annual Meeting, it was agreed that the subject of annual meetings in general would be placed on the October 20 agenda for further discussion.

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The financial reports were approved unanimously.

5. CONSIDER REPORT OF BUDGET COMMITTEE

President-Elect Consul, Chair of the Budget Committee, and Mr. Mersol presented the 2004 Revised Operating Budget for the State Bar and responded to questions from the Board regarding same. The Board approved the Revised Budget unanimously.

6. CONSIDER SUSPENSION OF MEMBERS FOR NON-PAYMENT OF DUES

Mr. Kimbrough presented the most recent list of those who were delinquent in their dues for 2004 and/or prior years and advised the Board that the notice requirements in SCR 98 had been met. The Board was advised that certain persons on the list had resigned and that at least one person had paid their dues on the day of the meeting. Having noted those corrections, the Board unanimously approved the suspensions and authorized the President to sign the Order signifying same.

7. REPORT OF YOUNG LAWYERS SECTION

YLS Chair Jeremy Hilsabeck presented an oral report in supplementation of his written materials. The Board approved an increase in the YLS dues to \$25. The YLS was also encouraged to attempt to have a large presence at the 2005 Midyear Meeting of the State Bar.

The Board also approved revisions to the Section's Bylaws so that the Budget Officer could be an ex-officio member of the Section's Executive Council.

The Board also asked the YLS to consider taking the lead in the State Bar's efforts to increase diversity in the profession and in the leadership of the association.

8. CONSIDER MATTERS RELATED TO GAMING LAW SECTION

The Board ratified the appointments of Jennifer Carvahlo and Sean McGuinness to the Section's Executive Committee.

9. CONSIDER APPOINTMENT OF NINTH CIRCUIT LAWYER REPRESENTATIVES

The Board appointed Candace Carlyon and Richard Pocker as lawyer representatives to the Ninth Circuit. Mr. Consul abstained from this vote.

10. CONSIDER MATTERS RELATED TO PROPOSED SUPREME COURT COMMISSION ON ADVERTISING

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The Board reviewed a proposed list of commission members and made suggestions for deletions and additions to Mr. Turner, who is the Board's designee to chair this effort.

11. CONSIDER MATTERS RELATED TO ACCESS TO JUSTICE COMMITTEE

The Board discussed the tabulation of the 2003 Mandatory Pro Bono Reporting forms, which has been begun by the State Bar internally. The Board determined that it would amend the 2004 Revised Budget to include an additional \$2500 in the Access to Justice line item to be used at the Executive Director's discretion to complete the tabulation process. Mr. Kimbrough was requested to report back to the Board on this matter at its October 20 meeting.

The form itself was also discussed by the Board, and it was requested that the form be placed online via Sharepoint so that Board members could comment on it.

12. CONSIDER MATTERS RELATED TO STANDING COMMITTEE ON JUDICIAL ETHICS AND ELECTION PRACTICES

The Board reappointed the following members of the Standing Committee to terms ending December 31, 2006:

Sallie B. Armstrong
Gordon DePaoli
George W. Foley, Jr.
Bruce I. Shapiro

To fill the vacancies created on the Standing Committee as result of the death of Phillip Bartlett and the resignation of Steven B. Wolfson, the Board appointed the following persons for terms ending December 31, 2005:

Valerie J. Cooney
Thomas M. Patton

13. CONSIDER MATTERS RELATED TO NORTHERN AND SOUTHERN NEVADA DISCIPLINARY BOARDS

Mr. Kimbrough reported that this matter had been placed on the Board's agenda in error and that no appointments needed to be made at the current meeting.

14. CONSIDER MATTERS RELATED TO FEE DISPUTE ARBITRATION COMMITTEE

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The Board appointed the following persons as Chair of their respective panels for terms ending August 2004:

Rena G. Hughes	Las Vegas Panel A
Paul F. Eisinger	Las Vegas Panel B
John C. Hope, Jr.	Reno Panel

and reappointed the following attorney members for terms ending August 2007:

Lee A. Drizin	Las Vegas Panel A
Clark V. Vellis	Reno Panel
Roger Harada	Reno Panel

Later in the meeting, State Chair Luke Puschnig met with the Board to report on the Committee's activities and needs and responded to questions regarding the mandatory nature of the fee dispute process. Mr. Puschnig advised the Board that he and the other Panel Chairs desired to have the Bylaws of the Committee revised to provide "teeth" to act against repeat offenders.

After much discussion, the Board voted to amend Section C(5) of the Bylaws to add the following language:

... if during two (2) years prior to the filing of the binding arbitration agreement by the petitioner, the respondent attorney has been the subject of three (3) or more fee disputes within the jurisdiction of the Committee, then the fee dispute arbitration proceeding shall become mandatory.

15. CONSIDER MATTERS RELATED TO CLIENT SECURITY FUND COMMITTEE

The Board appointed Elizabeth M. Fielder to a three-year term on the Committee, ending August 2007.

16. CONSIDER ISSUES RAISED BY PLAN REPORT ON SUPREME COURT ELECTIONS

The Board discussed the report done by PLAN and the judicial election process in general. It was suggested that a "point/counterpoint" article in the *Nevada Lawyer* on the subjects of elected vs. appointed judges or publicly vs. privately financed elections might be of interest to the State Bar membership.

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17. CONSIDER MATTERS RELATED TO STATE BAR FACILITIES AND PERSONNEL

Mr. Kimbrough provided a status report on the construction of the Northern Nevada Bar Center and advised that the September 15 completion date was still viable. At his request the Board approved a draw on the BankWest line of credit of up to \$300,000 to finance the portion of the improvements needed to achieve a 2/3 overall financing of the building.

Mr. Kimbrough also reported on the recent sewage incident at the Las Vegas Offices.

The Board approved the addition of an administrative assistant for the Discipline Department.

Mr. Kimbrough discussed the space shortage looming in the Las Vegas Offices and some of his thoughts for remedying same. Mr. Kimbrough was encouraged by the Board to explore all options for future space needs in Las Vegas, including remodeling of the existing structure, the movement of one or more departments out of the current building, or building a new State Bar Center.

18. REPORT OF DIRECTOR OF COMMUNICATIONS

The Board reviewed the materials provided by Director Mae Flennoy and expressed their appreciation for same.

19. REPORT OF DIRECTOR OF ADMISSIONS

The Board reviewed the statistical report provided by Director Patrice Eichman and engaged in a general discussion regarding the relative difficulty of the Nevada Bar Examination.

20. CONSIDER MATTERS RELATED TO BOARD OF CONTINUING LEGAL EDUCATION

Mr. Goodenow announced his resignation from the CLE Board. In accordance with SCR 207 (requiring one member of the CLE Board to be a member of the Board of Governors), the Board appointed Bridget Robb Peck to complete his term, which runs to December 31, 2006.

21. CONSIDER MATTERS RELATED TO CLE PUBLICATIONS COMMITTEE

The Board appointed the following persons to the CLE Publications Committee:

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Laura K. Granier
Susan M. Harrelson
Edmond "Buddy" Miller

Mr. Ferenbach abstained from this discussion and vote.

22. REPORT OF BAR COUNSEL

Bar Counsel Bare reported to the Board on matters related to Ethics 2000, including the ADKT hearing scheduled for September 23. He also presented the Discipline Statistical Report as of July 31, 2004 and responded to questions regarding same.

In Executive Session (with Mr. Ferenbach absent, the Board discussed with its bankruptcy counsel matters related to the *Herb Michel* matters.

23. REPORT OF EXECUTIVE DIRECTOR

Executive Director Kimbrough gave an oral report in supplementation of his written comments. At his request the Board approved an amendment to the 2004 Revised Budget sufficient to add an Office Assistant in the new Reno office.

24. REPORT OF PRESIDENT-ELECT

President-Elect Consul discussed the 2006 Annual Meeting of the State Bar scheduled for June 14-17 of that year at the Hyatt Regency Kauai.

25. REPORT OF PRESIDENT

President McCarthy reported on various matters, including a get-acquainted reception being hosted by the Crowell firm and Ms. McCarthy, the status of certification efforts by the Family Law Section, potential support by the State Bar of efforts to require representation of employers by attorneys in workers compensation hearings. The Board also discussed potential solutions to issues raised by *Keller* should the bar wish to have a more aggressive legislative action policy.

26. INFORMATIONAL ITEMS

Mr. Kimbrough called the Board's attention to various informational items contained in the Agenda Book.

27. ADJOURNMENT

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There being no further business, the meeting was adjourned at 2:00 p.m.

Respectfully submitted,

Ann Price McCarthy
President

Allen W. Kimbrough
Executive Director