



STOREY COUNTY BOARD OF COUNTY COMMISSIONERS MEETING

TUESDAY, FEBRUARY 4TH, 2014 10:00 A.M.

DISTRICT COURTROOM

26 SOUTH B STREET, VIRGINIA CITY, NEVADA

MINUTES

MARSHALL MCBRIDE
CHAIRMAN

BILL MADDOX
DISTRICT ATTORNEY

LANCE GILMAN
VICE-CHAIRMAN

BILL SJOVANGEN
COMMISSIONER

VANESSA STEPHENS
CLERK-TREASURER

Roll Call: Chairman McBride, Commissioner Sjovangen, District Attorney Maddox, Clerk & Treasurer Vanessa Stephens, Deputy District Attorney Anne Langer, Special Counsel Robert Morris, Fire Chief Gary Hames, Comptroller Hugh Gallagher, Sheriff Gerald Antinoro, Public Works Director Mike Nevin, Senior Planner Dessie Redmond, Community Services Cherie Nevin and Senior Planner/Administrative Officer Austin Osborne.

Absent: Vice-Chairman Gilman

1. **CALL TO ORDER AT 10:04 A.M.**

The meeting was called to order by the Chair. Chairman McBride stated Vice-Chairman Gilman is absent today. He recently had back surgery and is unable to sit for prolonged periods of time. He is in continual contact with Staff via phone.

2. **PLEDGE OF ALLEGIANCE**

The Chair led those present in the Pledge of Allegiance

3. **DISCUSSION/POSSIBLE ACTION:** Approval of Agenda for February 4, 2014

Mark Joseph Phillips, Virginia City resident, stated that on item #19 I and J - there is no mention of a liquor license.

Motion: Approve the agenda for February 4, 2014, **Action:** Approve **Moved by** Commissioner Sjovangen **Seconded by** Chairman McBride **Vote:** Motion carried by unanimous vote (**summary:** Yes=2)

DISCUSSION/POSSIBLE ACTION: (Originally listed as item 10.) Appoint Broker of Record to provide brokerage services for the County's Health and Benefits Insurance programs. Sealed Requests for Proposal from five brokers were opened on January 24, 2014. Qualified respondents are being interviewed and staff will provide a summary recommendation prior to the February 4th Commission Meeting.

Austin Osborne provided an overview of the request and interview process. We posted a Request for Proposal between December 26 and January 24 in the RGJ, Nevada Appeal, Comstock Chronicle, on the website and a few others for insurance brokerage services. We received five submittals including A&H Insurance, Inc., (our existing broker), ACS Business Insurance Services, Inc., Ingalls and Associates, LLC, Dillon Insurance Services, and LP Insurance Services. LP Insurance was found to be the best fit as broker of record for Storey County. This is not a reflection on our current broker's service which has been good. It is just that LP came out ahead of A&H. Their public sector experience, education, qualifications, organizational diversity, and depth of succession were found to be beyond those of the other applicants. In-House resources include specialized legal counsel, a team approach, and personal service accessibility. They will assess trends and patterns throughout the year instead of just during open enrollment. They also have resources to enable competitive bidding.

Kevin Monahan from LP Insurance Services assured the board that they would hit the ground running as soon as today to be sure that the taxpayer money being directed to these costs are managed aggressively. Pat Whitten added that many things were considered in this decision and thanked A&H for wonderful service the past seven years.

Motion: Appoint L/P Insurance Services, Inc. as Broker of Record to provide brokerage services for the County's Health and Benefits Insurance programs, **Action:** Approve **Moved by** Commissioner Sjovangen **Seconded by** Chairman McBride **Vote:** Motion carried by unanimous vote (**summary:** Yes=2)

4. For possible action approval of Payroll Check date 01/17/14 for \$383,748.27 and Accounts Payable date for 1/21/14 for \$123.83, date 1/24/17 for \$114,582.44 and \$3,321.17. (Originally listed as item 4 of the Consent Agenda)

Mr. Phillips thanked Mr. Whitten for his response to his agenda request concerning Liquid Blue. Mr. Whitten clarified that these are routine bills that the comptroller handles for the VCTC and that they are working with Mr. Morris on an amended contract to correct errors.

Nicole Barde, Virginia City Highlands Resident asked if these bills were being paid from Storey county monies. It was explained that no, they are paid from the VCTC.

Motion: Approve claims as submitted, **Action:** Approve **Moved by** Commissioner Sjovangen **Seconded by** Chairman McBride **Vote:** Motion carried by unanimous vote (**summary:** Yes=2)

CONSENT AGENDA

5. For possible action approval of Licensing Board First Reading:
 - a. Stolle Machinery - Contractor/6949 S. Potomac, Centennial, CO (Ardagh Supplier)

- b. Clean Harbors Env Svcs – Contractor/1200 Marietta Way, Sparks (Contractor)
- c. Videojet Technologies, Inc. – Contractor/1500 Mittle Blvd., Wood Dale, IL (Contractor)
- d. WTR Electric, Inc. – Contractor/6005 Hockberry Road, Reno (Contractor)

END OF CONSENT AGENDA

Motion: Approve the consent agenda for February 4, 2014, **Action:** Approve **Moved by** Commissioner Sjovangen **Seconded by** Chairman McBride **Vote:** Motion carried by unanimous vote (**summary:** Yes=2)

6. **DISCUSSION (No Action – No Public Comment):** Committee/Staff Reports

Francis Melhop, Saint Mary’s Art Center:

- Trying to open up to the public more than in the past. In the past the focus has been on restoration of the building and now they are able to work more on the arts side of things. They have opened up the program for artists from all over the world to come for a month and live and work on their art. A second bedroom and studio space has been opened so they can rotate two artists. They have international and local shows of art in the six galleries. She thanked Storey County for their support. Commissioner Sjovangen asked if they have a price for the elevator yet, and she said it was \$150k which they are looking at a grant from Otis for. Becoming ADA compliant would be very important in order to be eligible for other government grants. Mr. Pat Whitten complimented Francis on her leadership and progress.
- Francis left invitations for the Exhibitions Opening Reception on February 15th from 1-4pm

Adam Robello, Chairman of the Mark Twain Community Center:

- Recently had a complaint filed against them for an open meeting law violation with the Attorney General and with the help of Bill Maddox we got word back that they found in our favor and that we were not in violation.
- We are filling up our calendar and making good use of the facility.
- Addressing rumors that the board was considering revoking use of the facility to one or more groups and that is untrue.
- The library is coming in and we have made some changes to the location of our office in order to accommodate it.
- We are beginning committees to plan future events.
- Board of directors have discussed being liaison to the Storey County Board, but have decided that we have our hands full with running the center and do not want to do that at this time.
- March 15th planning a health fair.
- We have 10 computers and need desks to put them on.

Pam Abercrombie, Community Chest:

- Interviewing this Thursday for the library director.
- Trying to identify services that the Lockwood community wants.
- Making progress on the second phase of the community center on Carson Road. They have two gifts secured and are looking at two more to get that finished.
- She will be meeting with Community Services Director Deny Dotson and Grants and Emergency Management Coordinator Cherie Nevin on Wednesday to help out with the

rummage sale and free dump day. She wants to bring in the Global Voice Youth to help clean up yards for the elderly and disabled.

Grants and Emergency Management Coordinator, Cherie Nevin:

- Extended thanks to Laura and Adam in Mark Twain and will be working with them on the Health Fair tentatively scheduled for March 15th.
- Last Wednesday, January 29th, we held a flu shot clinic at the Lockwood Community/Senior Center. The Fire Department was also on hand to provide blood pressure checks. It was also the day of their food pantry so we probably had about 50 people come through and vaccinated 13.
- We received the literature for the NACO dental program which is in the Commissioner's office.
- Attended the Lockwood CC board meeting on January 28th. They are doing well.
- Concerning recent swarm of earthquakes - things have been quiet since Friday. Working with the UNR seismology lab to bring them in to do some education at the schools and with some community groups.
- We will be meeting tomorrow for the "Keep Storey County Clean" event to be held the first weekend of May.
- Commission on Cultural Affairs grant hearings will be held March 6th in Reno. On February 2nd I'll be meeting with Barbara Mackey and Francis from the Arts Center to refine presentations for grant applications.
- Continuing to do outreach with local community groups.

Planner Dessie Redmond:

- Staff investigated a nuisance complaint on Prospector Road in Mark Twain. They may be buying and selling goods without a business license and we are in full force on this one. If this is the case, they are also in violation of the zoning code. She thanked Dale Beach, Storey County Resident for bringing it to their attention.
- A violation on Howard Street for short-term rental has been addressed.
- Master plan: Staff has toured the cemetery and received a copy of their master plan and they are checking to be sure both plans are cohesive in applicable areas.
- Dean and she attended the Trans-Sierra Coalition workshop to find commonalities in the participating counties in Nevada and California as far as transportation plans. They are drafting the Trans-Sierra Transportation Plan which includes Interstate 80 past TRI so USA Pkwy comes into play.
- Dessie will be attending a pictometry conference later this week with other staff members and will report back on that at the next meeting.

Public Works Director Mike Nevin:

- I have been working with the insurance adjustor on the street sweeper that we lost. The appraisal came back at \$128,175. As of yesterday ASC is researching another alternative and reconsideration of actual replacement cost. A new unit came in at \$243,723 based on special pricing for municipalities. We will continue to try to resolve this large difference in price. A rental price came back at \$9,000 per month which is not workable for the county, so we are looking into a good used one to have as a backup and have located a couple of them. We've

inspected one unit and have agreed to purchase it at \$38,500 if it is brought up and running to our specifications. Hopefully we may have it delivered sometime next week.

- Last Wednesday, I met with a contractor out of the Fernley area who does services with sewer and water and has the capability to flush and clean culverts. The flood event back in June along Portofino and Milan in the industrial park clogged some culverts with debris. We agreed to dig them out to about four feet. We will do two out of the seven to see how it goes and have agreed on a price and will be working on getting them flushed and cleaned.
- I'll be attending the Future View Conference in Texas with other county staff from Saturday through Wednesday.

Commissioner Sjovangen asked if the water faucet in Mark Twain had been repaired yet. Mike said that the yard hydrant down there has not worked for years and was non-potable water. They don't use it so they removed it.

Senior Planner/Administrative Officer Austin Osborne:

- Open enrollment for health benefits will go until May 1st.
- Reminder that on February 20th at 6pm there will be a town hall meeting here with the Planning Commission. The potential applicant for the Crown Point Mill is proposing to reopen that as a vat leaching cyanide processing plant related to mining. At this point staff is not going to take a position publically. We are going to allow the applicant to come to this town hall meeting to express his plans and make his presentation and then receive comments and concerns from the public. Staff will be taking notes and doing research to come up with a recommendation if he chooses to apply for a special use permit for that facility.
- Donna has been working on a well log for the county with a full database for every well in the county. In the future, we hope to be able to give this data to the GIS team that can map it all out.

Fire Chief Gary Hames:

- Fuels crew started yesterday. They are chipping in the Highlands until the weather clears and then will be taking on the dead and dying trees along Geiger Grade hopefully next week.
- The first draft of our wild land fire grant of the Community Wildfire Preparedness Plan was issued last week. I will hopefully have that to you for review within the next couple of weeks. We do see that the fuels reduction program has been effective.
- We are working with the District Attorney's office to get a first draft of the 2012 International Fire Code and International Wild Land Urban Interface Codes with all the amendments to you for review to you in the next couple of weeks.
- The initial application for the grant for fuel reduction in the Highlands had only one bid in it. It has gone out to bid again. The grant had about \$66,000 in it to complete that one area of project work. Interestingly, one of the vendors is a Highlands resident with a Highlands based fuels reduction company and came in with a bid of only \$12,000. We are pleased to be able to keep the funds local and the work should start in the next two weeks. Working on next year's fuel grant and we are looking at equipment to enable our own crews to do this work.
- Last week we interviewed 9 candidates for the position of Fire Prevention Officer. We have offered the position and they will be starting next Monday. This person is a Highlands resident and has a wealth of knowledge. He comes from the US Forest Service with law enforcement background, worked for hot shot crews, did some partnership ventures with Cal

Fire and US Forest Service on plan reviews so is very familiar with those. He is also a contractor and brings all that building knowledge to this position. His name is David Silva.

- We are working with the comptroller's office on the USDA loan for the ambulance chassis and engines and that's moving along well.
- I will also be with other county staff from the 8th through the 12th in Texas for the pictometry training.
- Chief Hames also offered the assistance of the department with the Community Chest efforts in yard cleanup.
- The Nevada Fire Chiefs Association met in December to review the Statewide Fire Master Mutual Aid Plan which was written in 1983 and updated in 1994 and is therefore a little antiquated. Our goal is to update it this year which is no easy task because it involves 17 counties, and multiple fire districts and departments.
- The volunteer recruitment grant is going very well.

Commissioner Sjovangen asked about additional grading near Cottonwood. Chief Hames said he would try to coordinate Mr. Mike Nevin on it and see what they could do.

Comptroller Hugh Gallagher:

- Went over the timeline for the 2015 budget process. We will probably be fairly conservative with County revenue projection, as we have some good tools available to us to do them but have no way of knowing future projects, especially in TRI. There will be a staff report with recommended approval of changes to business license fees throughout the County which have not been addressed in the last twelve years. The department heads will be given a spreadsheet to work with to submit their budgets by line item by the March 1st deadline. 24-7 departments will be staffing to full-time equivalents in order to avoid overtime.

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|--------------------------|--|
| February 15, 2014: | County Revenue Projections Due |
| Saturday March 1, 2014: | Department Heads 2015 Budget Due |
| Saturday March 29, 2014: | Review with Pat |
| Tuesday April 1, 2014: | Commission Approval of 2015 Tentative Budget |
| Tuesday April 15, 2014: | Tentative Budget Due Department of Taxation |
| Tuesday May 20, 2014: | Commission Approval of 2015 Final Budget |
| Saturday May 31, 2014: | Final Budget Due Department of Taxation |

- As Chief Hames mentioned, we are going to ask for about \$2 million in funding for emergency fire equipment through the USDA. I anticipate this will be completed in approximately 3 months.

Anne Langer, Assistant District Attorney

- We were asked through the Sheriff's office and "We Care" to assist with putting together pro-bono programs to help seniors put together simple wills and powers of attorney to deal with medical and financial issues. In November we went to Lockwood and everyone was very interested in the presentation and asked if we would do it again. We are going to hold the program again on March 19th and hope to do it in Mark Twain in April or May. We will also add some discussion of the DNR forms with the fire department.

County Manager Pat Whitten:

- Regarding the new DNR, this is the “Do Not Resuscitate” order and the law has changed and if you have executed one, you need to update to the new form.
- Clarified that Dave Silva, the new hire in the fire department, is not related to anyone on staff. He was head and shoulders the best pick and we were excited to meet him and to have him on staff. Looking forward to having him work especially with some of the big companies that will be coming in.
- Stressed that the Future View Pictometry Conference has no additional costs as the flights, hotels, and registration is included in the annual fee that we pay to Pictometry. This is the company that flies over the County and gives us updates.
- Mentioned that Karen Ingalls of Ingalls, LLC is doing a great job as our broker on the claim for the street sweeper to get us a good valuation on it.
- Vice-Chairman Gilman is still working on the economic development on the County side and he is working hard even during his recovery and will be back soon.

7. **BOARD COMMENT (No Action – No Public Comment)**

Commissioner Sjovangen stated he is busy as usual with lots of meetings all over the State. He is taking another shot at the zip code issue in the Highlands, there has been a letter sent off to the Postmaster General in Las Vegas. He reviewed the requirements of the postal code and the issues that have identified over the years. It is the responsibility of the State Postmaster General to assign zip codes and they need to align with political boundaries. As we know there are a number of issues with sales tax, auto registration, smog checks, homeowners insurance, etc. Chairman McBride added this is an important issue that needs to be corrected.

The Chairman called for a recess at 11:23am; the meeting was called to order at 11:37am

DISCUSSION/POSSIBLE ACTION: (Originally listed as item 11.) Approval of Storey County Match Contract with the Division of Health Care Financing and Policy

Leah Lamborn, Chief Fiscal Officer, DHCFP presented some history on the Medicaid program that pays 63% of indigent expenditures and the County pays the difference of 37%. This is about the repayment of overages. \$53,000 was projected and we are running a little over 50%. She clarified that this is the Medicaid group that has nothing to do with Affordable Care Act. Mr. Whitten recommended approval of the contract and mentioned that we may need to revisit the indigent tax if costs continue to escalate.

Motion: Approve Storey County Match Contract with the Division of Health Care Financing and Policy, **Action:** Approve **Moved by** Commissioner Sjovangen **Seconded by** Chairman McBride **Vote:** Motion carried by unanimous vote (**summary:** Yes=2)

8. **DISCUSSION (NO ACTION):** Update from JoAnne Skelly, University of Nevada Cooperative Extension on Cooperative Extension Programs.

Cooperative Extension is a college at the University of Nevada, Reno. Their goal is to provide unbiased research based knowledge to the County through education and research and to bring the university to communities. They are a County, State, and Federal partnership. County funding is allocated in accordance with NRS 549-020. Current funding is at \$15,000. Ms. Skelly

made a Power Point Presentation on the three 4H programs that are being funded, Cook Lovers, Hot Shots, and Comstock Explorers. She also presented a number of publications related to the programs. She made suggestions for new programs that could be available with further funding and also talked about radon testing and "Living with Fire" that are not charged to any county funding. Additional Cooperative Extension programs that is available:

- Child Abuse and Neglect Awareness Training
- Just in Time Parenting
- Nevada Youth Range Camp
- Discover your Future
- Pesticide Safety Education
- Grow Your Own Nevada
- Green Industry Training
- Master Gardeners
- Pest Identification and Management

As they are at only \$15,000 funding, they have been operating in a deficit of about \$34,000 and would like the commissioners to consider them when working on the current budget. Storey County is the only county in the state that does not meet its full mill of funding, which would be \$49,000. She believes Storey County is also the only county that takes it out of the General Fund instead of making it a line item of 1-5 mil as a tax paid to Continuing Education.

9. **DISCUSSION (NO ACTION):** Update from Ron Radil, Executive Director, Western Nevada Development District regarding WNDD projects and activities and answer any questions from the Commissioners. Mr. Radil went over a handout that explained comprehensive Economic Development Strategies (CEDS) that are required for designation as an Economic Development District (EDD). The CEDS contain nine Goals.

The basis for the WNDD is the 2012 Stronger Economies Together (SET) project with over 200 people participating. They defined these goals, and developed workgroups and received grant funds that Mr. Radil also reviewed and are included on the handout. Agribusiness - WNDD received a grant and will work with Washoe County Food Bank to develop a regulatory food map for the region that will be used by small producers to know requirements for selling locally grown foods and food products in the region. Communications and Networking - WNDD received a grant to implement a Buy Local Northern Nevada web site: buylocalruralnv.com which offers a free listing to locally owned regional businesses. Access to Capital - WNDD received a grant to establish the WNDD Revolving Loan Fund. Energy - WNDD was awarded \$5,000 from Nevada Governor's Office of Energy to produce on-site videos of practical application of alternative energy videos to be placed on Facebook and Youtube. They plan to involve local school district media programs in this effort.

They are working on an application to the Economic Development Administration (EDA) to designate WNDD region as a "manufacturing communities" with un-manned autonomous systems (UAS) as a basis for the application. This will give preferential treatment when applying for various federal programs.

Mr. Whitten complimented Mr. Radil on his work with WNDD and how important it is to approach Washington with one voice for our region with shared concerns and that it is well worth the \$4000 it costs the county to participate. Mr. Radil is at every economic function he attends.

DISCUSSION/POSSIBLE ACTION: (Originally listed as item 15.) Approval of United States Department of Agriculture (USDA) Rural Development Grant Agreement and Loan Resolution for the Financing for the Virginia Divide Sewer System-Construction of a new Wastewater Treatment Plan with a loan payment of \$3,002,000 and a grant of \$2,312,794.

Grants and Emergency Management Coordinator, Cherie Nevin with Cheryl Couch from the USDA: In early 2013 the Storey County Commission approved and signed the USDA Letter of Intent to meet conditions outlined in the attached letter of conditions (packet attached). The LOC outlines all of the conditions that must be met prior to USDA Rural Development authorizing the County to go out to bid and proceed with construction. Rural Development has worked closely with County Staff over the last year to make sure that all of the conditions have been met. One of the conditions is the RUS Bulletin 1780-27 "Loan Resolution" required by USDA Rural Development. In addition a grant agreement RUS 1780-12 is required to be approved by the County Commission to authorize grant funds to Storey County.

For this project, the loan resolution for the financing is in the amount of \$3,200,000 million and the grant of \$2,312,794.00. Mr. Whitten mentioned that though they are grateful for the grand funds, and the low terms of the loan, sewer bills will most probably be going up in order to help fund this project.

Cheryl Couch said that they are good going ahead without the deed from BLM yet as this needs to be in place in order to move forward. This is a standard request that is made of every applicant.

Mr. Phillips was hoping there would be a limit to how high people's sewer rates might go. He asked if there was an estimate. Without going out to bid, Mr. Whitten said they are not able to answer that yet.

Motion: Approve United States Department of Agriculture (USDA) Rural Development Grant Agreement and Loan Resolution for the Financing for the Virginia Divide Sewer System-Construction of a new Wastewater Treatment Plan with a loan payment of \$3,002,000 and a grant of \$2,312,794, **Action:** Approve **Moved by** Commissioner Sjovangen **Seconded by** Chairman McBride **Vote:** Motion carried by unanimous vote (**summary:** Yes=2)

10. DISCUSSION/POSSIBLE ACTION: (Heard following item 4.) Appoint Broker of Record to provide brokerage services for the County's Health and Benefits Insurance programs. Sealed Requests for Proposal from five brokers were opened on January 24, 2014. Qualified respondents are being interviewed and staff will provide a summary recommendation prior to the February 4th Commission Meeting.

11. DISCUSSION/POSSIBLE ACTION: (Heard following item 7.) Approval of Storey County Match Contract with the Division of Health Care Financing and Policy

12. DISCUSSION/POSSIBLE ACTION: Approval of interlocal agreement between the Aging and Disability Division and the County of Storey for provision of children's developmental services.

Mr. Whitten stated that this was Mr. Osborne's subject and that they had requested a representative from the Department of Health and Human Services to explain terms and details. Absent that presence, he suggested continuance of this item.

Motion: Continue interlocal agreement between the Aging and Disability and the County of Storey for provision of children's developmental services, **Action:** Approve **Moved by** Commissioner Sjovangen **Seconded by** Chairman McBride **Vote:** Motion carried by unanimous vote (**summary:** Yes=2)

13. DISCUSSION/POSSIBLE ACTION: Appointment of Laura Kekule to fill the unexpired term of Nick Fain on the Board of Equalization, the term will expire December 31, 2015.

Mr. Whitten explained that this position became vacant suddenly when Nick Fain had to answer scheduling conflicts and demands at work. He explained that this is a complex position and one of our most intricate volunteer boards that we use. It is a combination of one government official and then we try to fill the rest of the board with lay people. This is where we look at the methodologies utilized by the assessors to assess both residential and commercial properties.

Mr. Beach agreed that it is a key position, but is concerned that the County always goes to the same few people when there are others that would volunteer including himself. He pointed out that she is on two boards already. Chairman McBride explained that they need to move forward with this appointment because there is not enough time between now and the next meeting and that there may be an opening next year.

Motion: Appointment of Laura Kekule to fill the unexpired term of Nick Fain on the Board of Equalization, the term will expire December 31, 2015, **Action:** Approve **Moved by** Commissioner Sjovangen **Seconded by** Chairman McBride **Vote:** Motion carried by unanimous vote (**summary:** Yes=2)

14. DISCUSSION/POSSIBLE ACTION: Second reading of Ordinance 13-251, an ordinance amending Storey County Code Chapter 3.12 to identify sales tax components, moving the Tourism Promotion tax from chapter 3.56 to chapter 3.12, to add a provision to update the purpose for the proceeds of the infrastructure, and providing for other properly related matters.

Robert Morris - went over the history and procedure that was followed to this point. He explained the code updates, plan of projects inclusion, and NRS amendments that have been made to bring it up to date. The tourism promotion tax did not have numbering and has been corrected so that it shows up in the correct area concerning sales taxes.

Nicole Barde stated that the projects are not clarified as infrastructure vs. capital projects within the ordinance. She also worries that a new project is appearing on the list. Mr. Whitten explained that it has been made clear that the list is not binding and is all encompassing and that it has been reiterated that these monies may come from different areas depending on how they are allocated.

They may or may not be assigned to infrastructure. She called it a “blank check” to which the board immediately responded that it is not that at all. This is only to continue collecting the tax. When she stated she thought the list was meaningless, again, the commissioners explained that the capital projects are listed because they may be included if the capital fund isn’t enough and allows them to utilize the infrastructure tax if needed. Commissioner Sjovangen feels that at this point at the second reading it is unnecessary to be arguing these points. Chairman McBride explained that the board is taking the advice of legal counsel over the arguments that have been presented. Mr. Whitten added that approval will be made as each project comes forward and priorities will identify themselves based on urgency and opportunity.

Dave Thomas - Asked the timeframe for the list of \$7.7 million projects. Pat Whitten said that it may take 47 years. Deputy District Attorney, Robert Morris explained that there is no sunset on the list and agreed with an approximately 50 years if they funded everything on the list. Mr. explained again that it is a dynamic process that will be addressed probably yearly. Mr. Thomas asked how much goes into the fund yearly. Pat Whitten said approximately \$200,000, but it depends on the projects that get completed. Mr. Thomas stated that 40% of the fund is going towards a water project that only benefits 21% of the population, and that the folks in the Highlands and Mark Twain are responsible for their own water. He also stated that no funds have been allocated to the Highlands specifically. Commissioner Sjovangen asked why this is the first time a Highlands resident has come forward. Mr. Thomas asked that the wording be changed from “to” to “which may” to reflect the changeable nature of the list. Mr. Whitten agreed and explained how the list has grown when communities come forward with items they want included. The argument on water is much more complex because it does benefit the communities he mentioned with wild land fire drop zones, etc. He said that Mr. Thomas’ observation is understood that the water project takes up the lions share, but if that were the argument, then the lions share should be going to TRI where these funds are generated. Chairman McBride also noted that they cannot arbitrarily put things on the list such as a community center for the Highlands if not one person has come forward requesting it. Mr. Morris agreed that the wording change is appropriate.

Commissioner Sjovangen mentioned that if something is not on the list and a grant becomes available, they are out of luck, so it is important that the list be as complete as possible. Mr. Whitten addressed the V&T purchase and restoration that Mr. Thomas mentioned. Firstly, this is about historic building preservation which is a criterion under the infrastructure ordinance. Secondly, we hope to turn these into viable venues for events which will generate sales tax to feed these funds. Thirdly, we may not need to go to this fund for those projects at all.

Mr. Beach - Understands that with the sewer and water projects the people that use it should have to pay for it. Chairman McBride said taxes he pays are not going into the sewer system. Mr. Whitten asked Mr. Morris if he knows of any stipulation that says that the ¼ cent tax has to be spent where it is collected. Mr. Morris said that he attached the NRS 377 B160 that very clearly states that water and wastewater facilities would be covered and feels that it is entirely proper.

Mr. Phillips - Stated that it is not legal for the board to get legal advice from anyone other than the County District Attorney or the Deputy District Attorney. He also mentioned that Comstock Mining is using the most water to no benefit of the water company. District Attorney Bill Maddox said that there is a specific statute that allows the commission to hire whomever they

want to get legal advice and often do that in order to get certain expertise on an issue. Mr. Whitten explained that Comstock Mining is not here to defend themselves from a “cheap shot.” He considers the contract that the commission has negotiated in public very profitable to the water system and beneficial to the County. Bill Maddox added that that use and sale of the water to CMI is money we wouldn’t have otherwise and we would be underusing without them.

Motion: Approve second reading of Ordinance 13-251 with language change, from “to include” to “which may include” under section 3.12.012, an ordinance amending Storey County Code Chapter 3.12 to identify sales tax components, moving the Tourism Promotion tax from chapter 3.56 to chapter 3.12, to add a provision to update the purpose for the proceeds of the infrastructure, and providing for other properly related matters, **Action:** Approve **Moved by** Commissioner Sjovangen **Seconded by** Chairman McBride **Vote:** Motion carried by unanimous vote (**summary:** Yes=2)

15. DISCUSSION/POSSIBLE ACTION: Approval of United States Department of Agriculture (USDA) Rural Development Grant Agreement and Loan Resolution for the Financing for the Virginia Divide Sewer System-Construction of a new Wastewater Treatment Plan with a loan payment of \$3,002,000 and a grant of \$2,312,794. (**Heard following item 9.**)

16. DISCUSSION/POSSIBLE ACTION: Resolution No. 14-389 requesting the assistance of the State of Nevada Attorney General in the prosecution of a criminal matter.

District Attorney Maddox explained that they have a criminal case where a family member works in their office presenting a conflict of interest. They would like the Attorney General as an impartial judge. This is normal protocol.

Motion: Approve resolution No. 14-389 requesting the assistance of the State of Nevada Attorney General in the prosecution of a criminal matter, **Action:** Approve **Moved by** Commissioner Sjovangen **Seconded by** Chairman McBride **Vote:** Motion carried by unanimous vote (**summary:** Yes=2)

COMMUNITY DEVELOPMENT AND PLANNING

17. DISCUSSION/POSSIBLE ACTION: Second reading of ordinance 13-254 adding section 16.24.068 Lot consolidation to the Storey County Code to create a lot consolidation process and amending section 16.24.070 revision to acreage, and providing for other properly related matters.

Planner Dessie Redmond stated that the first reading of this ordinance was on January 21, 2014. There have been no changes since then.

Mark Phillips – Questioned the economic impact of consolidation of lots. Mr. Whitten said that it would make a marginal impact and not material. Mr. Osborne said that the parcels will still exist, but agreed that the impact on taxes is marginal. The major impact is simplifying the well process.

Motion: Approve second reading of ordinance 13-254 adding section 16.24.068 Lot consolidation to the Storey County Code to create a lot consolidation process and amending section 16.24.070 revision to acreage, and providing for other properly related matters, **Action:** Approve **Moved by**

Commissioner Sjovangen **Seconded by** Chairman McBride **Vote:** Motion carried by unanimous vote (**summary:** Yes=2)

18. DISCUSSION/POSSIBLE ACTION: Approval of a special use permit to construct and maintain a single-family residence on a 75 acre parcel located in a Forestry zone, APN 004-291-22, 205 Eagle View Trail, Mark Twain, Nevada.

Ms. Redmond explained that Storey County Code, Section 17.32.20 states that one single-family detached dwelling of permanent character and location is permitted in a forestry zone subject to securing a special use permit. In compliance with the zoning code and the master plan there are no evident.

Mr. Whitten welcomed Mr. Kraft to Storey County.

Ms. Redmond read the findings of fact as follows:

5.1.1. The special use permit complies with the purpose and intent under SCC 17.32 F Forestry Zone in that the use will “protect areas having important environmental qualities in Storey County from unnecessary degradation and to provide areas of very low density residential use.

5.1.2. The special use permit complies with the general purpose, goals, objectives, and standards for the County master plan, this title, and any other plan, program, map or ordinance adopted, or under consideration pursuant to official notice by the County.

5.1.3. The special use permit will not impose substantial adverse impacts or safety hazards on the abutting properties or the surrounding area.

5.1.4. The conditions of the special use permit adequately address potential fire hazards and require compliance with the applicable fire codes, including necessary water capacity to suppress potential fires.

5.1.5. The special use permit addresses Goal 1 and Objective 1.1 in Chapter 9 of the Master Plan because granting this permit is compatible with the zoning map, master plan and previous planning decisions.

Motion: Approve special use permit to construct and maintain a single-family residence on a 75 acre parcel located in a Forestry zone, APN 004-291-22, 205 Eagle View Trail, Mark Twain, Nevada, **Action:** Approve **Moved by** Commissioner Sjovangen **Seconded by** Chairman McBride **Vote:** Motion carried by unanimous vote (**summary:** Yes=2)

19. FOR POSSIBLE ACTION, LICENSING BOARD SECOND READINGS:

- a. CORIMA INT’L MACHINERY – Contractor/Via Medini SNC – Vigarano Pieve Italy (Ardagh Supplier)
- b. BENJAMIN FRANKLIN PLUMBING – Contractor/5401 Longley Lane, Reno (Contractor)
- c. WILD HORSE GALLERY & GIFT – General/145 South C Street (Retail) VC
- d. SIERRA CONSTRUCTION & DEV – Contractor/1215 Kleppe #9, Sparks (Contractor)

- e. SIEMENS METALS TECHNOLOGIES - Contractor/501 Technology Dr., Canonsburg, PA (Ardagh Supplier)
- f. WESTERN INDUSTRIAL CONTRACTORS, INC. - Contractor/14805 E Moncrieff Pl., Aurora, CO (Ardagh Supplier)
- g. TRUCKEE MOUNTAIN HOME CENTER - Contractor/11403 Brockway, Truckee, CA (Fireplace Installation)
- h. ARROW CONSTRUCTION - Contractor/100 Ave of the Couleurs, Rainbow Bend
- i. MUSTANG RANCH EMPORIUM, LLC - General/5 N C Street (Restaurant & Retail) VC
- j. MUSTANG RANCH MERCANTILE - General/62 N C Street (Retail) VC

Chris Thompson, TRI employee brought up a point of clarification on item "I". The current DBA is Mustang Ranch Steak House; the operating entity is Mustang Ranch Retailers, LLC.

Motion: Continue items h-j, **Action:** Approve **Moved by** Commissioner Sjovangen **Seconded by** Chairman McBride **Vote:** Motion carried by unanimous vote (**summary:** Yes=2)

Motion: Approve items a-g, **Action:** Approve **Moved by** Commissioner Sjovangen **Seconded by** Chairman McBride **Vote:** Motion carried by unanimous vote (**summary:** Yes=2)

20. PUBLIC COMMENT (No Action)

Mr. Dave Thomas, Highlands - Concerning the Park Fund. May 11, 2010 he says he gave Mr. Whitten a total on the Park fund. He explained that he does forensic accounting professionally. He claimed that it is easy to find out definitively what should be in the fund. The County has only spent money on the park three times. In 2002, the County purchased the initial playground equipment and some picnic tables. In 2006, Aqua Drilling drilled a well. In 2011, there were additional improvements done. In total, since 1992, the County has spent \$58,000 on improvements to the park. Since 1992 there have been conservatively 338 building permits issued in the Highlands based on information Mr. Thomas gathered from the Assessor's office and the Building Department. At \$250 each, that is \$84,500. With \$58,000 spent, there should be a minimum of \$26,000 in the fund. The Park Fund is collected pursuant to NRS 278.4983. That statute requires the County to segregate the Park Fund for each neighborhood, putting the money into a separate interest bearing account. The County never did that. Instead they took the monies and put them into the General Fund. The County was not even aware of it until he informed Mr. Whitten in 2010. District Attorney Maddox may correct me if I'm wrong, but if the County was supposed to put it in an interest bearing account and did not do so, they would be obligated to pay a statutory or legal interest. Fortunately, that is simple interest and does not compound, but if computed back to 1992, it comes to roughly \$54,000. The County should be able to figure out these amounts using park ledgers for all the County Park Funds.

Chairman McBride asked when the legislation was enacted. Mr. Thomas said he believed it was 1992, but that in terms of Storey County; the fees have been collected since 1985. Mr. Whitten said that Mr. Thomas is correct on much of what he is saying, but when fees were collected and interest is a bit more complex than going back just to 1992. When he brought it to us in 2010, we dedicated the Park Fund and had four line items so we are compliant except for perhaps the interest, which we need to look into. Detailed records from Maggie Lowther just did not transfer to the comptroller when that transition happened. Commissioner Sjovangen asked for more detailed and hard evidence and only sees about \$6,000 left and has not seen the hard evidence to

support these numbers. Mr. Thomas asked if they could see the records from the Building Department. District Attorney Maddox suggested they make a public records request for it.

Nicole Barde, Virginia City Highlands Resident – has submitted some of the information and will assist in gathering the records from the Building Department. She addressed Commissioner Sjovangen’s statement that they are only trying to embarrass the County and she feels that it is an embarrassment that the County cannot supply simple accounting information and records. Ms. Barde attended the V&T Rail Commission meeting last Monday and asked if they were going to pay back the money they owe us and they said it would be dealt with in the April meeting. She got a copy of their Audit report. They had in their 2013 budget a payment to Storey County of \$435,000 that was either never requested or never paid. I would like a formal request to the Rail Commission for the money they owe us and to know why the budget item was not requested. She would also like to know if Mr. Whitten’s position would be posted if he were to retire. That was answered immediately that yes, it is protocol.

Dale Beach, Storey County Resident– In October of 1991 he went to Dean Haymore to request a building permit and had to go pay \$500 for the park fund and \$500 to the school first. Chairman McBride asked if he could get copies of the checks to verify the amounts. Mr. Beach wants to know if the ordinance of only one unlicensed and unregistered car per property applies to the whole county or just Virginia City. He wants someone to come take care of the junk cars all over Mark Twain. Chairman McBride told him to contact Planner Dessie Redmond as the nuisance officer.

Donna Giboney, Mark Twain Estates resident – wants the board to know that Dale Beach does not speak for the residents of Mark Twain. Many of us moved there so we could have our things on our property.

Mr. Whitten wanted to express that he is not embarrassed whatsoever regarding the Park Fund. We cannot recreate records that were lost by some official that doesn’t even work for the County any longer. He appreciates Mr. Thomas’ diligence. We will continue to take different approaches to back into this forensically and accurately, but in the mean time we can’t recreate what we don’t have.

With regard to Mr. Beach’s comment regarding nuisances, Chairman McBride hit it right on the nose. There is a process in place as to how you file a complaint. We are not the Gestapo and don’t just tell people to clean up their yards because we think they’re dirty. Our nuisance officer is doing a great job in following up on problems.

In answer to Ms. Barde’s question on the V&T as to why we did not demand money in the last fiscal year it is because we did not consider any of our rail related projects far enough along. The only thing we could have drawn on were our bond indebtedness payments, which we could have done, but we were saving those for tunnel 6, the V&T depot and some of the other depots for which we are still planning on making that draw.

Comptroller Hugh Gallagher addressed the Park Fund first. He complimented Dave Thomas’ work on this. In 1981 there was a resolution that did collect \$500 for a residential tax. However it was a pass through to future school building construction and enlargement so it was collected and remitted to the school district. That is the only tax he knows of. In 1992, there was ordinance No. 133 (copy in

records) adding a \$250 residential construction tax. In 1998, there was ordinance No. 156 (copy in records) increased the mobile home tax from \$100 to \$250. Mr. Gallagher wants to go back and inspect all of it more closely and see if there is more evidence to present to the board. He thought it was resolved in 2010 and 2011, but as it is coming up again, he will look into it.

In regard to the V&T Rail Commission, their statements are the same as in 2012. Because of the interlocal agreement, we need a clearer and more concise interpretation of their ordinary operating expenses vs. future building and construction.

Mark Joseph Phillips, Storey County Resident - in regards to the \$25,000 claim to Liquid Blue the check was cut prior to the contract being approved. Chairman McBride asked Mr. Phillips to bring it up with the Tourism Commission.

21. CORRESPONDENCE

- a. Agenda item request from Mark Phillips regarding the order of expenditure and payment of County moneys by the Director of Tourism and Community Services; by the approval of a contract for services and labor, LBE, LLC and County.

22. ADJOURNMENT

The meeting was adjourned by the Chairman at 1:58pm

Respectfully submitted,

By _____
Vanessa Stephens, Clerk-Treasurer