



STOREY COUNTY BOARD OF COUNTY COMMISSIONERS MEETING

TUESDAY, JANUARY 20, 2015 10:00 A.M.

DISTRICT COURTROOM

26 SOUTH B STREET, VIRGINIA CITY, NEVADA

MINUTES

MARSHALL MCBRIDE
CHAIRMAN

ANNE LANGER
DISTRICT ATTORNEY

LANCE GILMAN
VICE-CHAIRMAN

JACK MCGUFFEY
COMMISSIONER

VANESSA STEPHENS
CLERK-TREASURER

Roll Call: Chairman McBride, Vice-Chairman Gilman, Commissioner McGuffey, District Attorney Anne Langer, County Manager Pat Whitten, Clerk-Treasurer Vanessa Stephens, Sheriff Gerald Antinoro, Administrative Officer/Planner Austin Osborne, Comptroller Hugh Gallagher, and Community Services Director Cherie Nevin

1. **CALL TO ORDER AT 10:00 A.M.**

The meeting was called to order by the Chair at 10:00 AM

2. **PLEDGE OF ALLEGIANCE**

The Chair led those present in the Pledge of Allegiance

3. **DISCUSSION/POSSIBLE ACTION:** Approval of Agenda for January 20, 2015

County Manager Pat Whitten requested that items 12, 16, & 18 be heard prior to the Consent Agenda, and that items 10 & 15 be continued. Item 7 is corrected to reflect the application is for a Liquor License not Gaming License.

Motion: Approve Agenda for January 20, 2015 with changes **Action:** Approve **Moved by:** Vice Chair Gilman **Seconded by:** Commissioner McGuffey **Vote:** Motion carried by unanimous vote (**Summary:** Yes=3)

12. **DISCUSSION/POSSIBLE ACTION:** Consideration of appointment of Dr. James C McLennan to serve as County Health Officer per NRS 439.310

Community Services Director Cherie Nevin introduced Dr. James C. McLennan to be considered for appointment as County Health Officer as required by NRS. Dr. McLennan reviewed his experience in the medical field.

County Manager Pat Whitten explained that, among other requirements, the County Health Board is responsible for setting the immunization schedule for schools as required by NRS.

Motion: Approve appointment of Dr. James C. McLennan to serve as County Health Officer per NRS 439.310, **Action:** Approve **Moved by:** Vice Chair Gilman **Seconded by:** Commissioner McGuffey **Vote:** Approved by unanimous vote **(Summary:** Yes=3)

16. **DISCUSSION/POSSIBLE ACTION:** For possible action approval of Payroll Checks date 01/02/2015 for \$427,484.18. Accounts payable checks date 01/09/2015 for \$315,685.05 and \$6,637.62.

Mr. Whitten said staff recommends approval of payroll checks dated 1/02/2015 and accounts payable checks dated 01/09/2015, with the exception of the check payable to Bucket of Blood, Inc.

Motion: Approve payroll checks dated 1/02/2015 for \$427,484.18, **Action:** Approve **Moved by:** Vice Chair Gilman **Seconded by:** Commissioner McGuffey **Vote:** Approved by unanimous vote **(Summary:** Yes=3)

Motion: Approve accounts payable checks for \$315,685.05 and \$6,637. **Action:** Approve **Moved by:** Vice Chair Gilman **Seconded by:** Commissioner McGuffey **Vote:** Approved by unanimous vote **(Summary:** yes=2) Chair McBride abstained from this vote.

COMMUNITY DEVELOPMENT AND PLANNING

18. **DISCUSSION/POSSIBLE ACTION:** In accordance with Condition No. 2.2 of Special Use Permit No. 2000-222-A-5 (SUP) held by Comstock Mining, LLC, the SUP holder (Comstock Mining) submitted to the Board of County Commissioners a major modification to its mine operating plan so that the Board may validate that the modification conforms to the conditions of the existing SUP. The major modification will allow Comstock Mining's ore haul trucks to cross over a portion of State Route 342 between the Lucerne Pit and the 'east resource area', an area immediately east of the Lucerne Pit, in southern Gold Hill, Storey County, Nevada. The subject area and plans are included in Enclosures A-C.

Senior Planner Austin Osborne explained that Comstock Mining is submitting a major modification of its mine operation plan for validation by the Board, allowing CMI's ore haul trucks to cross a portion of State Route 342. Mr. Osborne read and reviewed conditions that must be met by Comstock Mining. These conditions include conforming to the operating plan for haul truck crossing, and to the requirements of NDOT. A truck-off approach of a total of 150 feet must be developed and maintained. Mud, dirt, and rocks must be removed from the road with minimal disruption to traffic. A vehicle turnout lane must be developed. Haul trucks will yield to north and southbound traffic at all times, as directed by flaggers.

A review of the proposed modification was presented by Ken Joy, Construction Manager for CMI. Mr. Joy said the intent is to keep 342 open with a by-pass which will be paved and will contain a pull-out.

Rick Martin, air quality person for CMI, gave an up-date on air sampling that is consistently being performed with air quality/weather devices deployed in the area. Readings have been obtained for

more than 60 days. All readings have been in the lower-good category. There has been no impact to the surrounding communities and reports will be available each month.

Motion: In accordance with Condition No. 2.2 of Special Use Permit No. 2000-222-A-5, I, Lance Gilman, validate that the operating plan major modification, in which ore haul trucks will cross over a portion of State Route 342 between the Lucerne Pit and the "east resources area", an area immediately east of the Lucerne Pit, in southern Gold Hill, as described in the submitted plans, conforms to the conditions of the existing SUP, and accordingly, I authorize county staff to accept the operating plan major modification and to proceed otherwise in accordance with the applicable federal, state, and county regulations, **Action:** Approve **Moved by:** Vice Chair Gilman **Seconded by:** Commissioner McGuffey **Vote:** Approved by unanimous vote (**Summary:** Yes=3)

CONSENT AGENDA

4. For possible action approval of December 2014 Treasurer Report
5. For possible action approval of Justice Court Quarterly Report
6. For possible action approval of First Reading of William Hill Race & Sports Book, Business/Gaming License application
7. For possible action approval of First Reading of Virginia City Brewery & Taphouse, Business/Liquor License application
8. For possible action approval of Business License First Readings -
 - a. AHERN RENTALS, INC. - General / 1777 Peru Drive (equipment rental) TRI
 - b. NORTECH, GEOTECHNICAL/CIVIL CONSULTANTS, LTD., -- 300 Western Rd #3 ~ Reno (eng.)
 - c. DAN'S WELDING & MACHINE, LLC - 1320 East Glendale ~ Sparks (welding contractor)
 - d. IONIX, LLC - General / 222 East Sydney (metal fabrication) TRI
 - e. RICH DOSS, INC. - General / 201 Wild Horse Canyon Drive (transportation) MCC
 - f. HIGHLAND FLOORS, INC. - 4050 S. McCarran ~ Reno (flooring contractor)
 - g. LIGHTNING PROTECTION SYSTEMS, LLC - 90 Cutler Dr. ~ N. Salt Lake City, UT (lightning prot.)
 - h. CUSTOM LAWN & LANDSCAPE MAINT. INC., -- 5125 Tenaya Creek Ln ~ Reno (landscaper)
 - i. CLAYTON COATINGS, INC. - 8742 East Via de Commercio ~ Scottsdale, AZ (contractor)
 - j. DULGAR CONSTRUCTION, LLC - 6301 Bonita Ct ~ Sparks (carpentry contractor)

END OF CONSENT AGENDA

Motion: Approve Consent Agenda, **Action:** Approve **Moved by:** Vice Chair Gilman **Seconded by:** Commissioner McGuffey **Vote:** Motion carried by unanimous vote (**summary:** Yes=3)

9. **DISCUSSION ONLY (No Action - No Public Comment):** Committee/Staff Reports

County Manager Pat Whitten:

- Thank you to Richard Elloyan and Paul Cohen from the State of Nevada, Environmental Health Group, for partnering with the County assisting with the required processes affecting food services and restaurants at Tahoe Reno Industrial Center. An on-site office will be located at TRI which should enable effective resolution to food service issues.
- A BDR request was given to Senator Settlemeyer regarding giving false testimony to local governments. Mr. Whitten has since been advised that this is covered by NRS 241.0353.
- Bill drafts in large numbers are coming out and are being monitored.
- Government Sandoval announced another new business coming to Storey County at his address to the State.

Paul Kvam, Utility Analyst:

- Reported on the status of bringing natural gas to the Comstock area. At this time, Southwest Gas is not interested in bringing gas to the area. Mr. Kvam will continue to explore alternatives.

Community Services Director Cherie Nevin:

- Health Center Open House will be held at the Community Center on January 21st, 4 to 7 PM.
- The Senior Center has received and installed the new kitchen equipment. Counter-tops will complete the project. The old refrigerator is being donated to the Mark Twain Community Center.

Fire Chief Gary Hames:

- The new ambulances should arrive mid to late February. The engines are expected in late May, early June.
- Preparation is continuing for the up-coming Nevada State Firefighters Conference to be held in Virginia City on June 23, 24 and 25.

Public Works Director Mike Nevin:

- The wastewater plant project is nearing final completion, which should be the first week of March.
Contingency funds from the USDA grant will be utilized to extend the project up to R Street.
- The 5-Mile Reservoir project is 99% complete. The reservoir has been filled almost to capacity. This amounts to approximately 8 million gallons of raw water storage.
- The liner has been installed at the Divide Reservoir project, rip-rap is being installed and should take one week to complete. Filling can begin at completion.
- The 6-Mile Canyon drainage improvement project is in the design phase and should go out to bid this summer.
- Significant improvements have been made at the McCarren Facility providing temporary space for the tenants.

Administrative Officer/Senior Planner Austin Osborne:

- Mr. Osborne and Dessie Redmond are working with BLM on a resource management plan as a cooperating agency from Storey County. Dessie has attended a meeting providing comment and Mr. Osborne will attend a future meeting providing further comment. All matters that could potentially affect Storey County are being reviewed.

- Master Plan Workshops will be held February 5, 2015 at the Tourism Center and February 19, 2015 in Lockwood.
- Mr. Osborne has been working with food truck companies to set up remote sites at TRI. These are sites not well served by existing restaurants. There are currently three food truck services – all have been cooperative in establishing locations.
- The County is currently in open enrollment period for insurance and is going through the bidding process. A benefits committee of employees is being asked what is needed and wanted in services, and also what type of experiences have occurred over the last year. Staff is working on the plan structure with the insurance broker.

Sheriff Gerald Antinoro:

- In response to a recent article in a local paper regarding the New Year's Eve firearms discharge, the United States Constitution and the State of Nevada allow possession of a firearm. Nevada Law allows carrying a firearm in public. The New Year's Eve incident would be a violation of law to be in possession of a firearm, if you had a blood/alcohol content of .10 or greater. There is no evidence indicating this occurred. It would also be a violation of Nevada Law, if a firearm was willfully and maliciously discharged into an occupied structure. There is no reason to believe this incident was a willful and malicious discharge. It was an accident. There was not a crime committed, if so it would have been handled.
- For persons concerned with firearms, there are a significant number of bills before the Legislature dealing with firearms in the State. It is recommended that opinions and concerns be addressed to representatives for consideration in the Legislature.

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

Vice Chair Lance Gilman:

- Mr. Gilman discussed and reviewed negotiations and meetings held with a new company, Switch, coming to Storey County. Switch also uses the name SuperNet. Switch is on the leading edge of the highest technology in the world today. This company is currently located in Las Vegas. The CEO, Rob Roy, indicates they will be trenching from Las Vegas to Storey County, locating a significant amount of fiber in the ground. Connections will be made to Los Angeles and San Francisco.
- Switch builds high-tech, incredibly safe buildings. This company stores data, information, and secrets representing approximately 1,000 of the largest corporations in the world. Each of the individual companies using Switch, brings one to 25 people to oversee their company's data. Storey County will virtually be the host to these 1,000 corporations. Mr. Roy would say that Storey County will become the new Silicon Valley of the western United States.
- TRI is hosting another three additional major data companies.
- Switch has begun grading and is building immediately.

Chair called for a recess at 11:18 a.m.; meeting reconvened at 11:30 a.m.

Commissioner McGuffey excused from the rest of the meeting.

13. **DISCUSSION/POSSIBLE ACTION:** Approval of the Continuation of Residential Construction Tax for Storey County Schools.

Patty Lam, Business and Office Manager for Storey County School District, explained the Residential Construction Tax funds will help with road re-paving and replacement of overhead lighting projects.

County Manager Pat Whitten said this tax is assessed as part of the building permit process and has been in existence for a long time.

Motion: Approve Continuation of Residential Construction Tax for Storey County Schools **Action:** Approve **Moved by:** Vice Chair Gilman **Seconded by:** Chair McBride **Vote:** Motion carried by unanimous vote (**Summary:** Yes=2)

14. **DISCUSSION/POSSIBLE ACTION:** National Radon Action Month Proclamation

Cherie Nevin stated January is National Radon Action Awareness Month. The University of Nevada Reno Cooperative Extension program encourages communities to comprehend the dangers of radon by issuing a proclamation and providing materials.

Susan and Jamie, representatives from UNR extension, gave a presentation regarding the radon program. Radon is the leading cause of lung cancer among non-smokers. Radon can accumulate in homes. A 3-day test can determine if a house has a radon problem. 19 houses have tested in Storey County, with 7 testing positive for radon.

A program will be presented at the Carson City Senior Center on January 27, 2015 at 6 PM. Free radon test kits will be available at that time. Test kits are also available at the UNR Cooperative Extension office, by calling 888 RADON10 or on the UNR Cooperative Extension website. EPA recommends testing every 2 years. Kits are free until February 28th.

There are several types of radon mitigation that can be done to a home. The mitigation system varies with the type of foundation. Cost varies with the square footage of the house.

Cherie Nevin read the Proclamation.

Motion: To proclaim January 2015 as National Radon Action Month in Storey County, **Action:** Approve **Moved by:** Vice Chair Gilman **Seconded by:** Chair McBride **Vote:** Motion carried by unanimous vote (**Summary:** Yes=2)

17. **DISCUSSION/POSSIBLE ACTION:** Approval of Auditors Recommendations pertaining to Storey County Audit Report for the period ended June 30, 2014.

Comptroller Hugh Gallagher reviewed the nine recommendations on the Audit Report for the period ending June 30, 2014. Monitoring of expenses to prevent exceeding budgeted amounts is recommended.

Mr. Gallagher presented explanations for expense accounts that exceed budgeted amounts. Each and every case is explainable and will be to the Department of Taxation. Mr. Gallagher said with regard to cash receipts, incidents occurred with revenue being receipted to incorrect accounts. Meetings have been held with department heads to insure revenues and expenses are in the correct account.

One of the recommendations in the audit is that expenditures over \$10,000 be approved by the County Manager and Comptroller. Currently every capital expenditure over \$1,500 requires the signature of both County Manager and Comptroller. Mr. Gallagher continued with a review of the recommendations and corresponding explanations.

Vice Chair Gilman said the focus on the auditor's recommendation is appreciated. It appears progress has been made on recommendations from last year. Would it be beneficial to respond to the auditors regarding the areas of recommendation that the County is not in a position to produce. Mr. Gilman would like feedback from the auditors.

County Manager Pat Whitten said there are some items that will re-occur.

Chair McBride stated that most of the items found in the audit were clerical which are easily corrected or adjusted.

Nicole Barde, Storey County Resident: Ms. Barde said the County is getting bigger and more complex. Should the County look at a different structure for finances and is an internal audit function necessary?

Vice Chair Gilman said "line item budgeting" was looked at a year ago. The staff and departments are learning and going through the transition, with one year of results now being seen. Procedures have been amended.

Ms. Barde questioned the handling of cash receipts.

Mr. Gallagher said internal audit functions regarding cash and cash handling procedures are adequate and would have been addressed in the audit if there was a problem. The recording procedure is what is being looked at. One incidence, even if corrected, is noted in the audit.

Mr. Whitten discussed the functions of the Comptroller's Office.

Kay Dean, Virginia Highlands Resident: Ms. Dean stated there are many "on-going" issues. Ms. Dean asked about the auditor's recommendations regarding revenue recorded in expenditure accounts.

Mr. Gallagher stated if there is an expense item and reimbursement is received for that item, the expense account can be reduced by the amount of that item or that amount can be put into a revenue account. It is the auditor's opinion that income should be in in-kind items and expense items should be expense items.

Motion: To approve Auditors Recommendations pertaining to Storey County Audit Report for the period ended June 30, 2014, **Action:** Approve **Moved by:** Vice Chair Gilman **Seconded by:** Chair McBride **Vote:** Motion carried by unanimous vote (**Summary:** Yes=2)

19. FOR POSSIBLE ACTION, LICENSING BOARD SECOND READINGS:

- a. ROSENDIN ELECTRIC, INC. - Contractor / 880 Mabury Road ~ San Jose, CA (electrical contractor)

- b. PANDA RESTAURANT GROUP – General / 745 Sparks Blvd ~ Sparks (caterer)
- c. PEED EQUIPMENT CO – Contractor / 1480 Nandina Avenue ~ Perris, CA (heavy equipment)
- d. SCHUFF STEEL COMPANY – Contractor / 1841 West Buchanan ~ Phoenix, AZ (steel erector)
- e. QUALITY CONTROL SYSTEMS, INC. – Contractor / 61 Continental Drive ~ Reno (hvac contractor)
- f. SURFACE PREP & MAINTENANCE – Contractor / 240 Linden Street ~ Reno (asphalt contractor)
- g. STERLING CRANE, LLC – Contractor / 2211 5th Street ~ Elko (heavy lift services)
- h. ANNING-JOHNSON CO – Contractor / 13250 Temple Avenue ~ City of Industry, CA (metal deck install)
- i. SUNVELOPE SOLAR, INC. – Contractor / 96 Glen Carran Cir ~ Sparks (solar contractor)
- j. SAFWAY SERVICES, LLC – Contractor / PO Box 1991 ~ Milwaukee, WI (scaffolding equip)
- k. ANSBERRY SIGNCRAFT – General / 10865 Osage Road ~ Reno (signage manufacturer)
- l. HARRIS INDUSTRIAL GASES – General / 236 East Sydney (welding equip supply) TRI

County Manager Pat Whitten said Community Development is recommending continuance of Item l. Harris Industrial Gases.

Motion: Continue Item l. Harris Industrial Gases **Action:** Approve **Moved by:** Vice Chair Gilman **Seconded by:** Chair McBride **Vote:** Motion carried by unanimous vote **(Summary:** Yes=2)

County Manager Pat Whitten reviewed the 11 businesses, Items a. through k., recommended for approval by Community Development. Seven of these businesses are directly related to the Tahoe-Reno Industrial Center, and most-likely related to the Tesla project.

Motion: Approve Items a. through k. **Action:** Approve **Moved by:** Vice Chair Gilman **Seconded by:** Chair McBride **Vote:** Motion carried by unanimous vote **(Summary:** Yes=2)

20. PUBLIC COMMENT (No Action)

Nicole Barde, Storey County Resident: Is there a plan or a vision for what is being built and property being acquired by the County and the VCTC?

Chair McBride responded the VCTC, promoting tourism, has to look to relocate as they are not being allowed to use the property that has been used the last 50 years to put on special events. Every issue is not discussed at a Commission meeting. These are tourism issues to be discussed with property and business owners, and event stakeholders. The purchase of the bank building was opportunistic and there several department heads who would like to relocate to that building.

Mr. McBride explained some of the purchases have been part of plans that have been in existence for years. As time goes on, some things will change. The County is in the business of preservation and restoration, protecting the Comstock Historic District.

County Manager Pat Whitten said the County has a long history of acquiring derelict buildings.

Kim Fegert, Gold Hill Historical Society: The Gold Hill Historical Society is hosting the Railroad Passenger Car Alliance with 100 participants, on January 22nd. This event will take the group through

the Nevada State Railroad Museum, the Lucerne Pit, the Crown Point Mill, and lunch at the Gold Hill Hotel and in town for the remaining time.

This is the last event that the Gold Hill Historical Society will be conducting. Mr. Fegert is looking forward to working with everyone in the future on whatever is accomplished.

ADJOURNMENT

The Chair adjourned the meeting at 12:47 PM

Respectfully submitted,

By _____
Vanessa Stephens, Clerk-Treasurer