



STOREY COUNTY BOARD OF COUNTY COMMISSIONERS MEETING

TUESDAY, MARCH 3RD, 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, Deputy Clerk & Treasurer Wendy Bacus, Melanie Keener, Sheriff Gerald Antinoro, Stacy Bucchianeri, Shannon Gardner, Administrative Officer/Senior Planner Austin Osborne, Public Works Director Mike Nevin, Comptroller Hugh Gallagher, Recorder Jen Chapman, Tourism Director Deny Dotson and Special Council Bob Morris. County Manager Pat Whitten via telephone

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 March 3, 2015

Administrative Officer Austin Osborne requested continuance of Items 20 and 21 to April 7, 2015.

Motion: Approve Agenda for March 3, 2015, **Action:** Approve with changes requested

Moved by: Commissioner McGuffey **Seconded by:** Vice Chair Gilman **Vote:** Motion carried by unanimous vote (**Summary:** Yes =3)

4. **DISCUSSION/POSSIBLE ACTION:** Approval of Minutes for January 20, 2015

Motion: Approve Minutes for January 20, 2015, **Action:** Approve **Moved by:** Vice Chair

Gilman **Seconded by:** Commissioner McGuffey **Vote:** Motion carried by unanimous vote (**Summary:** Yes=3)

5. **DISCUSSION/POSSIBLE ACTION:** Approval of Minutes for February 3, 2015

Motion: Approve Minutes for February 3, 2015, **Action:** Approve **Moved by:** Vice Chair Gilman **Seconded by:** Commissioner McGuffey **Vote:** Motion carried by unanimous vote
(Summary: Yes=3)

CONSENT AGENDA

6. For possible action approval of Payroll Checks date 02/13/15 \$413,723.01. Accounts payable checks date 02/20/15 for \$865,321.32 and \$6,010.56.
7. For possible action approval of Storey County Fire Protection District agreement with Carson City Fire Department, Central Lyon County Fire Protection District, East Fork Fire Protection District and Tahoe Douglas Fire Protection District for reciprocal ambulance subscription coverage.
8. For possible action approval of the Safety Manual as prepared by the Storey County Safety Committee.
9. For possible action approval of Business License First Readings -
 - a. PELLETT CONSTRUCTION - Contractor / 616 East Glendale ~ Sparks
 - b. S.W.O.R.D. DESIGN - General / 420 USA Parkway TRI
 - c. ELECTRIC TECH CONSTRUCTION, INC. - Contractor / 1910 Mark Court ~ Concord, CA

END OF CONSENT AGENDA

Administrative Officer Austin Osborne requested items 7 and 8 be pulled for discussion.

Motion: Approve to pull items 7 and 8 for discussion **Action:** Approve **Moved by:** Vice Chair Gilman **Seconded by:** Commissioner McGuffey **Vote:** Motion carried by unanimous vote
(Summary: Yes=3)

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

7. For possible action approval of Storey County Fire Protection District agreement with Carson City Fire Department, Central Lyon County Fire Protection District, East Fork Fire Protection District and Tahoe Douglas Fire Protection District for reciprocal ambulance subscription coverage.

County Manager Pat Whitten, via telephone:

- Purchase of a Storey County ambulance subscription will be honored in Central Lyon County, the two Lake Tahoe Districts and Carson City district. This is an added value of the ambulance subscription coverage.

Motion: Approve Storey County Fire Protection District agreement with Carson City Fire Department, Central Lyon County Fire Protection District, East Fork Fire Protection District and Tahoe Douglas Fire Protection District for reciprocal ambulance subscription coverage

Action: Approve **Moved by:** Vice Chair Gilman **Seconded by:** Commissioner McGuffey

Vote: Motion carried by unanimous vote (**Summary:** Yes=3)

8. For possible action approval of the Safety Manual as prepared by the Storey County Safety Committee.

Shannon Gardner reviewed the revision of the Storey County Safety Manual.

County Manager Whitten:

- Very proud of this document, it warrants approval. Thank you to Mr. Gardner for his work on the manual.

Chairman McBride presented Shannon Gardner with a gift on behalf of Storey County for his years of public service.

Motion: Approval of the Safety Manual as prepared by the Storey County Safety Committee,

Action: Approve **Moved by:** Vice Chair Gilman **Seconded by:** Commissioner McGuffey **Vote:**

Motion carried by unanimous vote (**Summary:** Yes=3)

10. **DISCUSSION (No Action):** Presentation and discussion by Nevada Department of Transportation Officials and Comstock Mining, LLC regarding physical conditions, structural integrity, and other conditions of State Route 342 adjacent to the Lucerne Pit in southern Gold Hill, Storey County, Nevada.

Austin Osborne commended the teams from NDOT and CMI in coming up with a common-sense resolution to the situation on State Route 342. Storey County, NDOT, other applicable regulatory agencies, and CMI have met to discuss and consider possible alternatives for temporary and permanent reopening and realignment of State Route 342 in Gold Hill. After consideration, NDOT recommended to Storey County the most viable options. According to those recommendations, the following will be performed:

- Portions of State Route 342 near the Lucerne Pit and the failing Silver Hills shaft will be realigned around the pit and historic shaft. The realignment will occur over two phases, with Phase 1 taking approximately 10-12 weeks to complete and Phase 2 taking an additional six months to complete.
- CMI will excavate and remove approximately 40 feet of loose unconsolidated fill now existing above base bedrock level and immediately beneath the existing road. CMI will then construct the new bypass road upon the base bedrock and permanently cap the historic Silver Hills shaft. Removing existing loose fill and constructing the road on the base bedrock is expected to facilitate permanent long-term road stability.
- Phase 1 will commence after the March 3 Commission meeting, after NDOT provides temporary permits, and after AT&T relocates several phone line poles in the subject area.

- The estimated cost of the road realignment project is \$3 million. Project costs and surety bonding for its guaranteed completion will be provided by CMI. The surety bond will be posted with the Storey County Clerk's Office along with the portion of CMI's required post-mining reclamation bond exceeding Nevada Division of Environmental Protection (NDEP) minimum requirements.
- The north half of the new road will become part of the permanent realignment; the southern half (will temporarily connect the permanent northern portion of the new road to existing State Route 342. Phase 1 completion is expected to take 10-12 weeks, pending weather and unforeseen circumstances, and is expected to open on or before June 6, 2015. (Note: Sufficient progress is expected by May to facilitate the Reno-Tahoe Odyssey run through Gold Hill.)
- Phase 2 will commence as soon as Phase 1 is complete. CMI will perform some Phase 2 work concurrently with Phase 1; however, some Phase 1 work is prerequisite to Phase 2. Phase 2 will commence at the south edge of the Phase 1 road (permanent portion) and will continue southward past the Lucerne Pit area before it abuts existing State Route 342. When completed, the temporary bypass connection will be removed. The Phase 2 southern alignment will cross the Gold Creek in two places. The new road, however, will bridge the creek without affecting it, thus eliminating any impact to the creek and minimizing permitting requirements. A jurisdictional determination has been made by the U.S. Army Corps of Engineers on Gold Creek, and the creek will be carefully avoided. According to CMI, an archeological survey approved by the State Historic Preservation Office (SHPO) was reviewed for the project and the work area was found to have no impacts on cultural sites. Storey County will validate this claim and continue its communication with the SHPO throughout project development.
- While north and southbound traffic travels on the Phase 1 permanent alignment and temporary bypass, CMI will continue working on Phase 2 of the project through most of December of 2015. This includes design, engineering, permitting, and construction of the road, as well as developing both creek crossings. Once complete, the Phase 2 road will be connected to Phase 1 road, thus finalizing the entire permanent State Route 342 realignment.
- A second but relatively brief road closure will be necessary on or about the second week of December in order to finish culvert foundations and connect the new alignment to the remaining existing road. The length of this closure depends on crossing types employed. Storey County, CMI, and other regulatory agencies will work together on scheduling this December road closure around key tourism events, such as "Christmas on the Comstock".
- During and following Phase 2 work, CMI will begin partial reclamation of disturbed land between the new road and the Lucerne Pit, including portions of the Lucerne Pit's east high-wall. When completed, there will be a new engineered slope between the new road and the existing Lucerne Pit. It appears from Storey County's communication with CMI, but not yet verified by NDOT, that the slope will be approved by NDOT and assessed by it and the applicable agencies for its interrelation to the new road. As initially planned, CMI will finish mining the Lucerne Pit downward 60 more feet until the ore is exhausted.
- CMI and NDOT will continue monitoring potential ground movement before and after local blasting. Starting Wednesday, March 4, 2015, Storey County staff will physically observe pre- and post-blast data from each area ground vibration monitoring device. Thereafter, Storey

County will be provided results of all blasts (pre and post) so that it may monitor conditions and require changes as appropriate.

Bill Hoffman, Deputy Director for NDOT, said he is very supportive of this solution

Corrado DeGasperis, President of Comstock Mining gave a slide-show presentation outlining timelines and the above plan. Mr. DeGasperis said despite the urgency to re-open the road, safety is the first concern.

Chair McBride:

- The cost is approximately \$3 million for the three phases. Asked if the County should get an estimate to insure the cost would not be higher, causing construction of the road to not be completed.
- There is concern about the financial status of CMI.

Mr. Osborne said there could be review and validation of construction by a third party.

NDOT representative Thor Dyssen said an NDOT crew will be assigned to monitor construction progress assuming NDOT continues with the prescriptive agreement.

Mr. DeGasperis:

- CMI has enough liquidity to cover the project. In addition there is a surety bond.
- To insure work will be done within the 10 to 12 week timeframe, the County can set a schedule which will be reviewed at County request.

Vice Chairman Gilman:

- After the completion of Phase 1, could the by-pass be used if the permanent road is not complete.

Mr. Dyssen replied the temporary by-pass is the permanent by-pass.

Commissioner McGuffey expressed concern about several businesses in Silver City and Virginia City.

County Manager Whitten assured everyone this project is the County's highest priority.

Gold Hill Resident, Peter Kramer: The temporary fill in the shaft is what most of the Comstock is built on and has been compacting for years. A temporary by-pass would be completely adequate. The first phase of the plan is more elaborate than need be and includes remediating the fill which will bring profit to CMI. No reason to take out a whole section of 342 because 40 feet is unsafe.

Mr. Osborne replied with the shaft existing in the middle of this unconsolidated ground, the loose ground around it keeps going back into the shaft. NDOT is taking a position that the road be safe, temporarily and permanently. It is because of the shaft that this situation exists.

Gold Hill Resident, Ben Wessner: Questioned the surety bond – does it cover phase 1? We need to make sure the surety bond will cover in the event CMI pulls out. The cut was irresponsible. What about future problems or issues? There should be over-sight by someone other than CMI.

Thor Dyssen, NDOT District Engineer:

- The bond takes into account in phase 1, six inches of asphalt, base material and everything associated to build the temporary/permanent location. The short section of the temporary road with 3 inches of asphalt will be taken out in Phase 2 and replaced with 6 inches of asphalt, or pave 3 inches on top if the existing 3 inches has survived.

Corrado DeGasperis further explained:

- Phase 1 - the full by-pass, including excavation, bedrock and fill material, and permanent six inches (asphalt) thinning to 3 inches, fully open.
- Phase 2 - Crossing the 3 inch area, building the entirety of the new road that ties in further south, removing all of the loose fill and bedrock.
- The estimate of \$3 million covers both phases.
- Both phases are over-bonded. The bond would be increased if the entire project is higher.

Mike Griswold, NDOT Chief Engineer:

- For the future phase, NDOT is looking at both the fill and cut slopes to make sure there is a permanent, safe solution meeting today's standards.

Austin Osborne said oversight and collaboration will continue between all parties involved in this situation. Meetings will continue to present updates on progress and related matters.

Chair McBride called for a recess at 11:53 AM. Meeting reconvened at 12:10 PM.

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

Mike Nevin, Public Works Director:

- New wastewater plant is on-line. The existing facility is being demolished and should be completed by the end of March.
- Reservoir projects are just about complete. A few items remain at the Divide Reservoir, including completion of fencing.
- Courthouse roof project is on target. Completion date is the end of April, weather permitting.
- Tenant improvements continue at the TRI office. The County's work for Switch has been completed.

Hugh Gallagher, Comptroller:

- Update on the Park Tax Fund penalty interest. All permits have been documented since inception, and will continue. All expenditures have also been documented. Expenditures from the Park Funds not related to any construction items in the parks have been adjusted. The last phase to be reviewed is penalty interest. The balance of the Funds is now known. Calculation will be done from inception through December 31, 2014, and interest will be booked and will continue. There are specific descriptions for the use of funds.

Vice Chair Gilman suggested staff establishes a procedure on how to access the funds and an explanation of the uses.

- Pursuant to discussion at the previous Board meeting and meeting with Tom Gransbury regarding the Guaranteed Share, it looks favorable for the County to move out of Guaranteed Share.

Austin Osborne, Administrative Officer/Senior Planner:

- Work continues on Health Benefits packages. So far it does not look like the County will incur any additional costs for health care. Open enrollment period will begin at the end of March.
- We are working with the Title Company and other agencies regarding the Lands Bill, which was approved by Congress and the President. This Bill transfers properties from BLM to Storey County, and then to be conveyed to Virginia City and Gold Hill residents. Work is being done to make this a simple process.
- Text of the Master Plan draft update is on the website. There have been multiple workshops regarding the update. Updates include dividing the County into 8 planning areas. Each of these areas is delineated on a map and each would have their own mini Master Plan tailored to the needs of each specific area.
- Everyone is welcome to attend the next Master Plan Workshop in Lockwood at the Rainbow Bend Clubhouse on March 5th.

Pat Whitten, County Manager:

- Initially the decision was made to petition to stay on Guaranteed Share. This decision was made with knowledge up to the Deputy Director's level confirming that the County could rescind the decision up to the time of the Tax Commission meeting next Monday.
- The trip to the NACO conference was the best and most successful ever attended.

12. BOARD COMMENT (No Action - No Public Comment)

Commissioner Jack McGuffey:

- Very impressed with the NACO Conference, especially with Senator John Porter who took us to the right people.
- At NACO people were receptive to giving TRI its own zip code. This is due to Tesla, who has put this County on the map.

Chair Marshall McBride:

- At the NACO Conference we did not get to spend as much time participating with the NACO delegation as in the past. We met with, or talked to, congressman and senators or their staff, with exception of Harry Reid due to his medical situation. Dean Heller and Mark Amodei were, as always, very gracious with their time. Dina Titus was also wonderful. They all take the concerns of Storey County seriously.
- Noted the passing of resident Matthew Antonovich.
- Also, the daughter of Vince and Linda DeCarlo passed away.

13. DISCUSSION ONLY (No Action - No Public Comment): Discussion and direction to staff regarding legislation or legislative issues proposed by legislators or by other entities permitted by the Nevada State Legislature to submit bill draft requests, or such legislative issues as may be deemed by the Chairman or the Board to be of critical significance to Storey County.

Paul Kvam:

- Southwest Gas introduced a bill mandating the Public Utilities Commission to go into rule-making to create regulations for the expansion of gas service in Nevada to areas not being currently served or under-served. This has an excellent chance of passing. Intervener status will need to be filed to participate in rule-making.

Pat Whitten:

- Approximately 400 bills have been introduced. Another 800 bills are expected by March 16th – the last day for bill introduction.
- There does not appear to be the gridlock as in previous sessions. Bills are coming out and are being signed.
- We continue to watch closely for any increases in pass-downs from the State to rural governments. One would be for Child Protective Services.
- We are currently against SB59, Secretary of State Business Portal, consolidating all licensing throughout the State into the Secretary of State’s office. This creates a lot of concern with the Counties. Wording is being crafted to make this optional.
- Home Rule is being worked on and negotiated.
- We are also following AB19 – Tentative Budget Bill, SB170 – Data Center Abatement Bill for any data centers with capital investment, and SB95 – Property tax bills.

Recess as Storey County Board of Commissioners
Reconvene as Storey County Fire Board

14. **DISCUSSION/POSSIBLE ACTION:** Approval of Storey County Fire Protection District agreement with the Nevada Division of Forestry for participation for the Wildland Fire Protection Program (WFPP).

Robert Morris, Special Counsel, presented this item. This is an interlocal agreement between the Storey County Fire Protection District and the State continuing the existing agreement. This document needs to be renewed every two years.

County Manager Pat Whitten:

- Under the agreement, \$150,000 per year is paid to WFPP for two years. This is an insurance policy should there be any wildland fire, anywhere in the County, that automatically provides unlimited services.
- Prior to this agreement, the cost was approximately one-half million per year.
- With this agreement, after paying our seasonal employees and paying the \$150,000, the County is saving approximately \$100,000 per year.

Motion: Approval of Storey County Fire Protection District agreement with the Nevada Division of Forestry for participation in the Wildland Fire Protection Program (WFPP) **Action:** Approve **Moved by:** Vice Chair Gilman **Seconded by:** Commissioner McGuffey **Vote:** Motion carried by unanimous vote **(Summary:** Yes=3)

Recess Storey County Fire Board
Reconvene as Storey County Board of Commissioners

15. **DISCUSSION/POSSIBLE ACTION:** Approve the second reading of Ordinance 14-261, an ordinance amending Storey County Code chapter 5.16 Prostitution to change the name to Brothels, amending the procedure for revoking a license, and changing requirements on work cards, and providing for other properly related matters.

Special Counsel Robert Morris said there is a request to continue this item and asked the Board to open the item for discussion if considering the continuance. Item 16 would also be continued. Mr. Morris said it would be appropriate to re-notice this item in the newspaper due to the number of continuances.

County Manager Pat Whitten indicated that the principal operator in this matter was unable to attend this meeting. As the principal operator, he is unable to participate in discussion and the matter should be continued.

No public comment.

Vice Chairman Gilman abstains from voting on items 15 and 16.

Motion: To continue item 15 to March 17, 2015 and request the County Clerk to re-notice in the newspaper **Action:** Approve **Moved by:** Commissioner McGuffey **Seconded by:** Chair McBride **Vote:** Carried by unanimous vote **(Summary:** Yes=2).

16. **DISCUSSION/POSSIBLE ACTION:** Approve the Resolution 15-418 setting the fees for brothel licensing, license applications, and penalties.

No discussion.

Motion: To continue Item 16 to March 17, 2015 and request the County Clerk to re-notice in the newspaper **Action:** Approve **Moved by:** Commissioner McGuffey **Seconded by:** Chair McBride **Vote:** Carried by unanimous vote **(Summary:** Yes=2).

Recess as Storey County Board of Commissioner
Reconvene as Storey County Water Board

17. **DISCUSSION/POSSIBLE ACTION:** Approve Site License Agreement between Storey County and High Speed Networks for internet access equipment atop the Hillside water tanks.

Mike Nevin, Public Works Director:

- Previously there was verbal agreement to allow High Speed Networks to install an antenna site atop the water tanks on the south side of town.
- High Speed Networks has a need to install additional equipment on an un-used building adjacent to the water tanks.
- A "site-license agreement" has been prepared by the District Attorney's office. Per the agreement, \$150 per month will be charged for equipment and power provided to High Speed Networks.
- This is a non-assignable agreement.

Virginia City Resident, Clay Mitchell: Is there provision for other operators to install equipment and are there any benefits provided to the community by High Speed Networks.

Mr. Nevin indicated the High Speed Networks equipment provides service to the Mark Twain estates area and points beyond.

Motion: Approve Site License Agreement between Storey County and High Speed Networks for internet access equipment atop the Hillside water tanks **Action:** Approve **Moved by:** Vice Chair Gilman **Seconded by:** Commissioner McGuffey **Vote:** Carried by unanimous vote **(Summary:** Yes=3).

**Recess Storey County Water Board
Reconvene as Storey County Board of Commissioner**

18. DISCUSSION/POSSIBLE ACTION: Approve first reading of Ordinance 15-263 adding section 3.50.200 to the Storey County Code providing for a pilot project for granting partial abatements of permitting fees to participants in a qualified project in an Economic Diversification District and providing for other properly related matters.

Vice Chair Gilman recuses himself and abstains from discussion and vote on this item.

Special Counsel Robert Morris presented this item:

- The Board previously passed Ordinance 14260 creating the Economic Diversification District. The Ordinance would not be effective until a Government Services Agreement was made between Tesla and the County to help defray costs of local government services in the District.
- As required by SB1, a cooperative agreement between the County and the Department of Taxation must be made allowing them to administer a reimbursement to Tesla of sales and use tax collected.
- The agreements will be completed soon.

Mr. Morris said Ordinance 15-263 provides for granting partial abatements of permitting fees to the project if the County believes it would encourage local development. Discussions have been held with Tesla to determine appropriate reduction to fees.

Two changes to be submitted at the second reading are:

- If construction goes beyond 2018, the Ordinance can be re-opened;
- Despite the abatement, Tesla must comply with all County permitting requirements for the construction of the project.

Mr. Morris would like to have the second reading at the same time as the Government Services and Reimbursement Agreements.

Storey County Resident, Nicole Barde: Asked if the fees in the Ordinance are those that the County would be receiving and keeping? Is use of the funds restricted in any way?

Chair McBride:

- Yes, the County would receive and keep the funds, paid directly to the Treasurer.

Mr. Morris:

- This is in lieu of having existing permitting fees that are set by ordinance, which we have agreed to abate to this specific amount. This is what has to be paid for permitting.

County Manager Pat Whitten answered no to any restriction of use of the funds. Most of the monies will be allocated into the general fund-community development and also into the Fire District. In addition, there will be a fixed over-head allocation going to the general fund.

Ms. Barde asked what amount other communities will benefit, such as property tax reduction.

Mr. Whitten:

- Cannot say that there will be direct fiscal benefit from the monies in this ordinance. What will be seen is a number of large companies coming in that do not have this provision. It will help sustain the permitting processes.

Chair McBride:

- This ordinance applies just to the Economic Diversification District. Companies have to have the investment of \$3.5 billion dollars in order to qualify under the ordinance.

Mr. Whitten:

- Tesla is the lead participant in this Economic Diversification District. There will be other participants as part of this project and will be covered under this program.

Mr. Morris said there is limiting language in the ordinance regarding other projects. This item is specific to the factory project. The Government Services Agreement and the Reimbursement Agreement are both single reading only. These agreements are fairly specific to Tesla.

Chris Thompson, Project Manager for Tahoe Reno Industrial Center, said it is important that people do not get the impression that the Tesla project is a break-even event financially for the County. Some of the benefits are:

- Other companies are coming to TRI as a direct result of the Tesla deal, including Mark Segal's Development company, Harris Industrial Gas, Ahern Insurance Rentals, and Switch. There are more in the pipeline. These companies will be paying full property taxes, sales taxes and other County fees;
- Payrolls are sizable from the Tesla construction workers, as well as the other companies under construction, and that money is being spent in this community;
- That the State is taking over USA Parkway, including the build out and maintenance in perpetuity. Saving the County millions of dollars.

Motion: Approve first reading of Ordinance 15-263 adding section 3.50.200 to the Storey County Code providing for a pilot project for granting partial abatements of permitting fees to participants in a qualified project in an Economic Diversification District and providing for other properly related matters, **Action:** Approve **Moved by:** Commissioner McGuffey **Seconded by:** Chair McBride **Vote:** Motion passed by unanimous vote (**Summary:** Yes=2).

19. DISCUSSION/POSSIBLE ACTION: Approve a cooperative agreement with the State of Nevada Department of Taxation specifying the dates and procedure for distribution to Storey County of the

Economic Diversification District No. 1 revenues pledged pursuant to Ordinance No. 14-260 and a Reimbursement Agreement with Tesla.

Vice Chairman Gilman recuses himself and abstains from discussion and vote on this item.

Special Counsel Robert Morris presented this item:

- This is a cooperative agreement required under SB1, between Storey County and the Department of Taxation to administer and account for sales and use tax used by Tesla in the Economic Diversification District;
- This agreement allows the Department of Taxation to enforce the provisions of Storey County Code, Chapter 350. This is the Ordinance that is not yet effective.
- Agreement was drafted by Tesla and approved by Bill Maddox. The Department of Taxation has reviewed and signed – the Attorney General’s Office has also approved.
- Although this agreement is somewhat perspective, it is with the Department of Taxation and knowing that the Department of Taxation is already collecting tax funds is appropriate to go forward at this time.

Mr. Morris stated the wording in the agenda item stating, “and a Reimbursement Agreement with Tesla”, should be struck.

County Manager Pat Whitten:

- This agreement allows the Department of Taxation to meet all of its legal obligations by passing on to the County. The County will have legal obligations at such time as the second agreement is executed between the County and Tesla.
- This agreement pertains to every eligible partner participating in Economic Diversification District 1. Tesla is the lead partner.

Mr. Morris:

- The Governor’s Office on Economic Development approved a Certificate of Eligibility for Tesla to pay 2.75% in. At this time, Tesla is the only participant.
- It’s appropriate to limit the agreement to Tesla until such time as other participants come forward and then a similar agreement would have to be done for those participants.

Mr. Whitten:

- Suggests this Agreement, subject to legal opinion, covers everyone operating within the Economic Diversification District.

Virginia Highlands Resident, Kay Deane: Where is the copy of the Agreement signed March 2nd between Tesla and the Storey County Economic Diversification District indicated as Exhibit A.

Mr. Whitten said there are several questions regarding this item and recommends continuing to a date in the future. Mr. Morris concurs.

Motion: Continue to a date to be determined, approval of cooperative agreement with the State of Nevada Department of Taxation specifying the dates and procedure for distribution to Storey County of the Economic Diversification District No. 1 revenues pledged pursuant to Ordinance No. 14-260

and a Reimbursement Agreement with Tesla **Action:** Approve **Moved by:** Commissioner McGuffey **Seconded by:** Chair McBride **Vote:** Motion passed by unanimous vote **(Summary:** Yes=2).

22. FOR POSSIBLE ACTION, LICENSING BOARD SECOND READINGS:

- a. EAGLE SOLUTIONS - Contractor / 1350 Geiger Grade ~ Reno (landscaping)
- b. BEAR MOBILE SERVICE & REPAIR, LLC - General / 1525 Sharon Way ~ Reno (mobile equip repair)
- c. WILD HORSE GALLERY - General / 145 South C Street (retail store) VC
- d. REEL CONSTRUCTION - Contractor / 72 East Freeport ~ Sparks (Contractor)
- e. LERO ENTEPRISES, INC. - Contractor / 1043 H Street ~ Sparks (Contractor)
- f. SPENCER MEDIA PARTNERS, LLC - Home Business / 2187 Main Street ~ Gold Hill (Consultant)
- g. DIAMOND CONCRETE CUTTING, LLC - Contractor / 80 Corporate Park Dr ~ Henderson (Contractor)
- h. ASCENSION POWER ENGINEERING, LLC - Professional / 55 North C Street (elect eng.) VC
- i. MDB TRUCKING, LLC.. - Transportation / 905 East Mustang (trucking co.) MCC
- j. IONIX, LLC - General / 222 East Sydney (metal fabrication) TRI
- k. RICH DOSS, INC. - General / 201 Wild Horse Canyon Drive (transportation) MCC

Austin Osborne, Administrative Officer/Senior Planner, said it is recommended that items a. through h. be approved and items i., j., and k. be continued.

Motion: Approve items a., b., c., d., e., f., g., and h. **Action:** Approve **Motion by:** Vice Chair Gilman **Seconded by:** Commissioner McGuffey **Vote:** Motion passed by unanimous vote **(Summary:** Yes=3).

Motion: Continue items i., j., and k., **Action:** Approve **Motion by:** Vice Chair Gilman **Seconded by:** Commissioner McGuffey **Vote:** Motion passed by unanimous vote **(Summary:** Yes=3).

23. PUBLIC COMMENT (No Action)

Virginia City Resident, Mark Joseph Phillips:

- Asked about the Park Funds and interest. Suggested the Comptroller's Office get a legal opinion regarding the funds.
- Still concerned about the VCTC operating meetings without having hired an attorney. They cannot assume the County District Attorney will represent them. This should be on the agenda.

Virginia City Highlands Resident, Kay Deane:

- It is suggested that the \$10,000 budgeted for the Highlands this year be used for Cartwright Road repairs which is great need of crack sealing. Estimated cost is \$20,000. Conditions continue to deteriorate and the road is used by school buses, emergency vehicles and residents. Ms. Deane asked if Commissioner McGuffey would attend meetings at both associations and report to the County regarding use of the funds.

Storey County Resident, Nicole Barde:

- Does not recall a date certain that a final answer will be presented by the Comptroller regarding the Park Fund.

Comptroller Hugh Gallagher stated we are waiting for a way to obtain the interest rate for 1982. Mr. Gallagher as well as the State Treasurer, does not have that information. The State Treasurer is going to get the information. In lieu of that, the rates of U. S. Treasury Bonds need to be determined in order to calculate interest from the beginning. Without this information, a date certain cannot be given.

Vice Chair Gilman said the amount in the Park Fund has been identified; only the interest has not been determined. The funds are available to be used and the interest can be added when known.

Ms. Barde asked for the principle figures. Mr. Gallagher said he will provide that information.

Virginia City Resident, Clay Mitchell:

- Pleased with Mr. Gilman's request that staff review to reduce property tax rates.
- Is there a possibility to lower starting business license rates for basic and home businesses, at the least, based on the windfall coming into the County. There would be benefit in the perception of business friendliness.

Chair McBride:

- Next Friday, Dr. Sykes - dentist in Reno, will be providing free dentistry from 8AM to 4PM.

ADJOURNMENT

The meeting was adjourned by the Chair at 2:15 P.M.

Respectfully submitted,

By _____
Wendy Bacus, Deputy Clerk-Treasurer