



STOREY COUNTY BOARD OF COUNTY COMMISSIONERS MEETING

TUESDAY, FEBRUARY 2, 2016 9:00 A.M.

DISTRICT COURTROOM
26 SOUTH B STREET, VIRGINIA CITY, NEVADA

MINUTES

MARSHALL MCBRIDE
CHAIRMAN
ATTORNEY

ANNE LANGER
DISTRICT

LANCE GILMAN
VICE-CHAIRMAN

JACK MCGUFFEY
COMMISSIONER
TREASURER

VANESSA STEPHENS
CLERK-

Roll Call: Chairman McBride, Vice-Chairman Gilman, Commissioner McGuffey, County Manager Pat Whitten, Clerk/Treasurer Vanessa Stephens, Planning Director/Administrative Officer Austin Osborne, Special Counsel Robert Morris, Sheriff Gerald Antinoro, Comptroller Hugh Gallagher, Fire Chief Gary Hames, Public Works Director Mike Nevin, Community Services Director Cherie Nevin

1. **CALL TO ORDER CLOSED SESSION AT 9:00 A.M.** - Closed Session meeting pursuant to NRS 288.220 for the purpose of conferring with county management and legal counsel regarding labor negotiations with the Storey County Employees Association/AFSCME 4041 Comstock Chapter.
2. **CALL TO ORDER REGULAR MEETING**
The meeting was called to order by the Chair at 10:00 A.M.
3. **PLEDGE OF ALLEGIANCE**
The Chair led those present in the Pledge of Allegiance.
4. **DISCUSSION/POSSIBLE ACTION:** Approval of Agenda for February 2, 2016
Motion: Approve the Agenda for February 2, 2016, **Action:** Approve, **Moved by:** Vice Chairman Gilman, **Seconded by:** Commissioner McGuffey, **Vote:** Motion carried by unanimous vote, (**Summary:** Yes=3)
5. **DISCUSSION/POSSIBLE ACTION:** Approval of Minutes for January 5, 2016
Motion: Approve the Minutes of January 5, 2016, **Action:** Approve, **Moved by:** Vice Chairman Gilman, **Seconded by:** Commissioner McGuffey, **Vote:** Motion carried by unanimous vote, (**Summary:** Yes=3)
6. **DISCUSSION/POSSIBLE ACTION:** Approval of Minutes for January 19, 2016

Public Comment:

Nicole Barde, Storey County Resident: During discussion, Mr. Whitten had referred to the use of Gladding & Michel as the third party doing investigations rather than the Sheriff. This is missing and is material to the minutes.

Mr. Whitten said his comments were that someone like Gladding & Michel should do the investigations and that he had talked to them. In no way was anyone selected at the meeting for this purpose.

Motion: Approve the Minutes of January 19, 2016, **Action:** Approve, **Moved by:** Vice Chairman Gilman, **Seconded by:** Commissioner McGuffey, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

CONSENT AGENDA

7. For possible action approval of Payroll Checks date 01/15/16 for \$480,899.20 and \$1,938.59, and date 01/29/16 for \$363,898.29. Accounts Payable Checks date 01/22/16 for \$981,268.56 and \$8,712.81.
8. For possible action refund Jerry Carpenter and Shirley Carvey for double billing on APN 003-543-02 and MH500202. Total refund of \$245.86.
9. For possible action approval of Delta Saloon's (Tina Perkins) first reading for an off-sale liquor license and a cabaret license as an addendum to the current (pending) general and liquor license.
10. For possible action approval of Business Licenses First Readings:
 - A. **INTEGRATED MANUFACTURING & SUPPLY, INC.** - Contractor / 6985 Via Del Oro ~ San Jose' (Mfg. Supplier)
 - B. **PACE ENGINEERS, INC.** - Contractor / 11255 Kirkland Way ~ Kirkland, WA (Engineering Svcs.)
 - C. **MUNTERS CORPORATION** - Contractor / 79 Monroe Street ~ Amesbury, MA (Air handling contractor)
 - D. **TABER DRILLING** - Contractor / 536 Galveston St ~ W. Sacramento (geotechnical exploration)
 - E. **HITACHI HIGH TECHNOLOGIES AMERICA, INC.** - Contractor / 5960 Inglewood Dr ~ Pleasanton, CA (construction consult.)
 - F. **ENGINEERED PRODUCTS, A PAPE CO.** - Contractor / 9883 - 40th Avnue ~ Seattle, WA (material handling equipment)
 - G. **SUBURBAN PROPANE, LP** - General / 400 Wolverine Way ~ Sparks (propane sales & service)
 - H. **TERRACON CONSULTANTS, INC.** - Contractor / 18001 West 106th St ~ Olathe, KS (geotechnical consulting services)

END OF CONSENT AGENDA

In regard to item 9, for full disclosure, Chairman McBride stated he has a pecuniary interest in a business on the main street in Virginia City that engages in cabaret and liquor licenses as well.

Vice Chair Gilman stated he also has a pecuniary interest in a liquor and cabaret license on C Street as part of a class of users in Storey County.

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

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

Fire Chief Gary Hames:

- Presented the Board with a report prepared with software recently purchased. The software is working extremely well. The report will be provided monthly to the Board and will be published on the Storey County website.
- Chief Hames reviewed highlights of the report which enables reporting of monthly call volume and statistics regarding calls. Statistics include response time and number of patient transports.

Public Works Director Mike Nevin:

- The Public Works Department has been very busy due to recent storms. There have been issues with a couple of snow plows that are older vehicles. Five truck/tractors have been purchased from the State of Nevada excess property program at \$25 each. These vehicles will be retro-fitted into snow plows.
- Public Works Department is also working to resolve infrastructure issues that affected power to the hillside water tanks over the weekend. Conduits to the control building at the tank site terminate outside the building. In the interim, a temporary generator set up has been established.
- Meetings have been held with NDOT and Farr West Engineering in regards to moving four storm drains at the south end of C Street off of the County's Waste Water Treatment System.
- The siphon line replacement under Highway 580 is moving along. NDOT is working to update the environmental assessment. Various organizations are involved to resolve any concerns regarding the pipeline replacement.
- This year is a significant "water" season. Marlette Lake is almost up to spill, Hobart Lake is spilling. The east slope catchments are producing good water.
- A meeting was held with the NDOT contractor, Ames Construction, regarding the USA Parkway extension. The contractor is interested in utilizing space at the County's TRI facility in exchange for some improvements to the County's property. NDOT will have a portable building on that site.

Commissioner McGuffey asked if the pipeline being replaced under 580 is the original waterline.

Mr. Nevin replied the second pipeline - constructed in 1875 - is the one being utilized. This is under the highway and feeds the top of the siphon. This will remain in the ground. NDOT will bore under the highway and install a new sleeve.

- Mr. Nevin, along with Mr. Whitten, met with representatives of NDOT and Farr West Engineering to discuss moving the four storm drains on the south end of C Street off of the sewer system. These storm drains were never tied into the main storm drain line. Issues are created, particularly in winter with the salt used on C Street. NDOT has made this a high priority since the County has the funding in place to do the sewer improvements. NDOT is in the design/engineering process.

Chair McBride: Has there been any discussion regarding curbs and gutters? Intersections such as Taylor and Union Streets are really bad.

Mr. Nevin: This has been discussed in the past.

Mr. Whitten: There are some issues dealing with the NDOT Right of Way Division including issues with curbs and gutters. We continue to work through the issues.

Planning Director/Administrative Officer Austin Osborne:

- Thursday, February 4th is the next Planning Commission meeting and will be held at the Lockwood Community/Senior Center at 6 PM. Discussion will be held regarding the Master Plan draft.
- A team meeting was recently held with Farr West Engineering to discuss status of County projects. One issue discussed was flood mitigation in Mark Twain. Mr. Osborne works on the Carson Water Conservancy District Board. This Board provides assistance for flood mitigation and other sorts of matters. Mr. Osborne has discussed these issues with all parties to see if there is a way to secure funding for flood mitigation and a study of what specifically can be done in the area. This would be pursuant to cooperation from the Water Conservancy District, the Mark Twain residents, and the feasibility of work being done in the next couple of years.

Deputy District Attorney Keith Loomis:

- Briefing on the Malfitano case has been completed and submitted to the Judge for a decision on the Petition for Writ of Mandamus.
- Comments have been submitted to Rural Development regarding the nature of the contract with Farr West Engineering for the sewer improvements to determine if there are any issues. Comments from Pool/Pact have also been submitted to Rural Development.

County Manager Pat Whitten:

- Mr. Whitten recently spoke at a meeting of fiscal officers for construction companies. TRI and Tesla were the major focus and topic.
- Attended an event at the Atlantis announcing the arrival of a new company, Jet.com. Governor Sandoval along with the three County Commissioners were also present. Jet.com is a great company.
- The same evening, Mr. Whitten attended a presentation at the Gold Hill Hotel given by Commissioner Gilman discussing the past, present and future at TRI.
- Regarding the zip code issue for TRI and the River District, concerted efforts have been made over the last 18 months through John Porter of Congressman Amodei's office, in trying to get the US Postal system to issue a separate zip code for at least the entire River District - specifically in the TRI area. This issue has also been presented to Senator Heller and Senator Reid.

The Post Office has said that if a (zip code) does not streamline the delivery of U.S. mail, the Post Office does not care and will not do anything about it. The Postal system stated if the "plus 4" was used on mail it would work out. This seemed to work with small purchases. However, most of the vendors supplying products to TRI do not know what County TRI is in and, for reporting purposes, use Sparks, Nevada 89434.

Mr. Whitten contacted the Director of the Nevada Taxpayer's Association who indicated using the "plus 4" was not a solution as the Department of Taxation's software is so antiquated it could not handle the "plus 4". There are other situations indicating that use of "plus 4" is not the answer.

Mr. Whitten, Chair McBride, District Attorney Langer, and Comptroller Gallagher, met with the Deputy Director of Taxation, the Division Director of Sales Tax, and a deputy director of Taxation's IT service. It was acknowledged that the Pitney Bowes software being used does not ask for a zip "plus 4". According to the IT representative, it would be a huge change to get the "plus 4" factored in. The Department of Taxation acknowledges the problem and has agreed that they are going begin to test

some results, talk to the Pitney Bowes vendor, and see what other States are doing with similar issues as far as accounting software.

The County is going to give the Department of Taxation one specific new company that was recently built from ground up, giving them a list of all vendors who provided products that went into the construction of this facility. Taxation will conduct an audit to see who reported what. The County will also provide Taxation with a list of all retail establishments in the entire River District for audit. We have agreed to meet monthly to focus on this issue.

An update will be provided to Congressman Amodei regarding the Department of Taxation and the zip code issue.

Stacey Bucchianeri searched the Postal website to determine the zip "plus 4" for businesses in the TRI area. Found on the website was public postal information which indicates the county that addresses are located in. Fifty percent of the addresses looked at were shown to be in Washoe County, including Storey County offices in TRI. This was mentioned to Congressman Amodei's staff and, as of yesterday, all but one or two had been corrected.

This will be a top agenda item at the NACO conference later this month. The Department of Taxation approach is good but it is not a "fix all". The zip code is needed.

Commissioner McGuffey commented he had brought this to the attention of other counties at a NACO Board meeting. Other counties indicated also having zip code problems and are looking to Storey County to lead the way on a resolution.

Mr. Whitten suggested that he and Commissioner McGuffey should review the zip code situation prior to the next NACO Board meeting.

An equal concern is not only that the County is not getting sales tax dollars it is entitled to - keeping in mind that it is believed to be the Department of Taxation's responsibility to assess, collect, and distribute sales tax monies accurately and they are not doing that - but people are being over-charged. Washoe County sales tax rate is at least 1/8 of a point higher than Storey County.

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

Commissioner McGuffey:

- The V & T Commission recently lost a great member, Kevin Ray. Mr. Ray was with the Commission for years.

13. DISCUSSION/POSSIBLE ACTION: Approval of Storey County Audited Financial Statements for the year ended June 30, 2015.

Comptroller Hugh Gallagher apologized for the delay in the review of the audited financial statements. The work of CPA David Pringle was submitted in a timely manner. A staff review of the financial statements submitted by Mr. Pringle indicated a substantial difference in property tax revenue projected and what was received. Further review showed that a payment that should have been received from the Department of Taxation in April was received in July. The outside auditor was notified and the audit was corrected.

Mr. Gallagher discussed events of the last year. Including legislative decisions affecting the industrial park, completion of the wastewater treatment plant, water system improvements, development of a 474 Fire District, and, based on a decision by the Department of Taxation, bringing the Tourism

Commission back into the County. New public safety vehicles - ambulances and Sheriff's vehicles - were purchased.

Mr. Gallagher reviewed capital assets and liabilities. The ending fund balance increased and is healthy. A review of the General Fund shows an ending fund balance that is down from the previous year due to money being given to capital projects. Mr. Gallagher reviewed the auditor's recommendations and steps being taken to meet those recommendations.

The goal for this year is to "stay the course". There has been an excellent second quarter review. Road work in TRI and additional work at Station 75 will probably begin in the spring.

There will be challenges for fiscal year 2017 in looking at needs and plans for public safety, public works, general government, and economic development strategy.

A General Accounting & Standards Board bulletin - a report on all abatements received during the year and how it affects taxes - must be filed this year. Mr. Gallagher reviewed the information required on this report.

Mr. Gallagher said it is time to look at a tax rate reduction. Since 2008, the County has increased the bottom line each year. This has not been easy. A consultant, who previously worked for Taxation, will advise if we are right or wrong on certain items. The attempt needs to be made as it was the direction of this Board.

Vice Chair Gilman: Thank you to Mr. Gallagher for the report and for the direction the County is being taken.

Commissioner McGuffey: Concurs with Commissioner Gilman. Thank you for a great job.

County Manager Pat Whitten: There is another audit within this audit. Several years ago the threshold was surpassed in terms of the dollar amount of Federal grants that the County has in play at any one point in time. This requires a separate statement and the items listed are equally as important as others in the audit because more and more we are more reliant on Federal grant dollars. Mr. Whitten indicated most important is the opinion on each major Federal program which states, "in our opinion Storey County, Nevada complied in all material respects with the types of compliance requirements referred to that could have a direct and material effect on each of its major Federal programs for the year ended June 30, 2015." This is attributable to the efforts of Cherie Nevin who deserves great thanks.

Public Comment:

Nicole Barde, Storey County Resident: Agrees this was a good summary. Regarding the abatements that the County has that will have to be reported - what about the offsets that are in place with Tesla and others? Does that fit in this audit, will it be a future item - will that show as revenue, or as a special offset? Will there be separate procedures (for reporting)?

Mr. Gallagher: Does not believe any offsets were received until after July 1st. It will be for this audit year. We are trying to figure out what needs to be in the report - there is not an example out there. Mr. Gallagher will try to find some information or if there is no example, will send in what he thinks it should be.

Ms. Barde: This could be a potential "gotcha" next time if it is not done.

Mr. Gallagher: Right.

Mr. Whitten: We will work with our auditor regarding a potential footnote to comply with GASB, the Tesla situation is unique.

Mr. Gallagher: This is something I will have to do and the auditor will review. Thank you to the auditor and staff for being patient in this process. It is appreciated.

Mark Joseph Phillips, Virginia City Resident: With the exception of Vice-Chairman Gilman, no members of the VCTC are present especially in light of the budget over-expenditures. Mr. Phillips expressed concern there is no one here to explain or apologize or talk about the future especially after all the years of trying to decide whether the audit should be separate. VCTC's refusal to hire or retain legal counsel.

Motion: Approve of Storey County Audited Financial Statements for the year ended June 30, 2015,
Action: Approve, **Moved by:** Vice Chairman Gilman, **Seconded by:** Commissioner McGuffey,
Vote: Motion carried by unanimous vote, (**Summary:** Yes=3)

14. **DISCUSSION/POSSIBLE ACTION:** First reading of Ordinance No. 15-267 amending Storey County Code Title 8 Health and Human Safety by adding chapter 8.01 Nuisances and providing a uniform process for abating all the different nuisance complaints in the code. The amendment also changes the existing nuisance procedures in other parts of the Code to be consistent with the new chapter and provides for other properly related matters.

Outside Counsel, Robert Morris, presented this item and read the title into the record. A workshop was previously held regarding this Ordinance. Since this chapter reflects significant changes in the code, Mr. Morris suggested having another reading following the second reading which is the public hearing on the Ordinance. This will allow the Board to be careful in passing an ordinance that everyone thinks will work and gives an opportunity for all departments to have input.

Mr. Morris continued that this is a process to simplify nuisances in the code. All nuisances referred to in other chapters of the code, will refer back to this new chapter 8.01. Anyone who has specific suggestions or concerns regarding this item, are requested to contact Mr. Morris before the second reading.

Mr. Morris requested this item be set for the first meeting in March.

Public Comment:

Mark Joseph P hillips, Virginia City Resident : The ordinance should be more specific as to who can red-tag a property or threaten a property owner with a lien or criminal penalty. This should be an appointed public officer with oath and appointment on record to enable a person to verify the authority. The Public Works Director, or his designee, is suggested as the inspector in the new ordinance. There should be public record of the 30 days for appeal. Maybe an agenda item that the "clock has started ticking". And 30 days later, an acknowledgment that the nuisance has been remedied. Recently a property was red-tagged with no opportunity for appeal.

Mr. Whitten: It should be noted the property mentioned was red-tagged as a safety hazard not as a public nuisance.

Motion: Approve First reading of Ordinance No. 15-267 amending Storey County Code Title 8 Health and Human Safety by adding chapter 8.01 Nuisances and providing a uniform process for

abating all the different nuisance complaints in the code. The amendment also changes the existing nuisance procedures in other parts of the Code to be consistent with the new chapter and provides for other properly related matters, **Action:** Approve, **Moved by:** Vice Chairman Gilman, **Seconded by:** Commissioner McGuffey, **Vote:** Motion carried by unanimous vote, (**Summary:** Yes=3)

15. **DISCUSSION/POSSIBLE ACTION:** Approval of Sheriff's General Business License Second Reading for Delta Saloon, Tina Perkins, located at 18 S C St., Virginia City.

Sheriff Gerald Antinoro presented this item. Applicant has submitted the proper application and obtained all necessary sign-offs from the different inspection agencies. Approval of the General Business License is recommended.

No public comment.

Motion: Approve Sheriff's General Business License Second Reading for Delta Saloon, Tina Perkins, located at 18 S C St., Virginia City, **Action:** Approve, **Moved by:** Vice Chairman Gilman, **Seconded by:** Commissioner McGuffey, **Vote:** Motion carried by unanimous vote, (**Summary:** Yes=3)

RECESS AS BOARD OF COUNTY COMMISSIONERS TO CONVENE STOREY COUNTY LIQUOR BOARD

16. **DISCUSSION/POSSIBLE ACTION:** Approval of Liquor License Second Reading for Delta Saloon, Tina Perkins, located at 18 S C St., Virginia City.

Chairman McBride stated he has a pecuniary interest in a liquor license on the main street, that being the Bucket of Blood Saloon. Voting on this item in no way affects Mr. McBride or his business.

Vice Chairman Gilman stated he has a pecuniary interest in a liquor license on C Street, Virginia City, and is a portion of a class of users within the community.

Sheriff Antinoro presented this item. Applicant has submitted an application. Background has found no disqualifying information and shows that applicant has stable financial abilities. Approval of the Liquor License is recommended.

County Manager Whitten commented that a letter addressed to the Board of Commissioners dated December 21, 2015 was submitted as part of a previous Commission packet. The letter was from Barbara Thomas outlining issues and concerns. Mr. Whitten is not clear as to whether the concerns were with the licensee or the business being leased.

Public Comment:

Mark Joseph Phillips: The packet indicated something about a cabaret and off-sale liquor license being included. Mr. Phillips is happy to see the cabaret license.

Chair McBride: The item regarding the cabaret license was on today's Consent Agenda for first reading.

Motion: Approve Liquor License Second Reading for Delta Saloon, Tina Perkins, located at 18 S C St., Virginia City, **Action:** Approve, **Moved by:** Vice Chairman Gilman, **Seconded by:** Commissioner McGuffey, **Vote:** Motion carried by unanimous vote, (**Summary:** Yes=4)

ADJOURN STOREY COUNTY LIQUOR BOARD TO RECONVENE BOARD OF COUNTY COMMISSIONERS

COMMUNITY DEVELOPMENT AND PLANNING

17. FOR POSSIBLE ACTION, LICENSING BOARD SECOND READINGS:

- A. **CARMEN'S MEXICAN REST & CATERER** - General / 112 S Center ~ Yerington (Food Truck)
- B. **BOSCH REXROTH CORP** - Contractor / 14001 South Lake Dr ~ Charlotte, NC (conveyor contr.)
- C. **HITACHI HIGH-TECHNOLOGIES CORP** - Contractor / Osaka, JAPAN (equipment contractor)
- D. **PRODUCT HANDLING DESIGN, INC.** - Contractor / Box 117866 ~ Carrollton, TX (crane cont.)
- E. **SIERRA VIII, INC dba Diversified Painting** - Contractor / 881 E Glendale ~ Sparks (painting cont.)
- F. **SHIMADZU SCIENTIFIC INSTRUMENTS** - Contractor / 7102 Riverwood Drive ~ Columbia, MD (analytical instruments)
- G. **HITACHI POWER SOLUTIONS CO., LTD.** - Contractor / Tokyo, JAPAN (equipment contractor)
- H. **BREAKTHRU BEVERAGE NV RENO** - General / 100 Distribution ~ Sparks (whsle distribution alcohol)
- I. **PREMIER ELECTRICAL STAFFING, LLC** - General / 7901 Strickland Road ~ Raleigh, NC (staffing)
- J. **AMERICAN CARPORTS, INC.** - Contractor / 157 North Broadway ~ Joshua, TX (carport contractor)
- K. **EVOLUTION INDUSTRIES** - Contractor / 10939B Industrial Way ~ Truckee (flooring contractor)
- L. **RICH DOSS, INC.** - General / 201 Wild Horse Canyon Drive (transportation) **MCC**

County Manager Pat Whitten stated that Community Development has recommended approval of all items. However, Mr. Whitten requests item H, Breakthru Beverage, be continued to research and insure all proper processes are followed as there are different statutes for distribution of alcohol. A temporary license can be issued in the meantime.

Mr. Whitten requests approval of items A, B, C, D, E, F, G, and I, and continuance of item H.

Stacey Bucchianeri, Community Development, said that Breakthru Beverage is a distributor of liquor - they do not serve liquor. This is an out-of-county General License.

Motion: Approve items A through G and I, **Action:** Approve, **Moved by:** Vice Chairman Gilman, **Seconded by:** Commissioner McGuffey, **Vote:** Motion carried by unanimous vote, (**Summary:** Yes=3)

Motion: Continue item H, **Action:** Approve, **Moved by:** Vice Chairman Gilman, **Seconded by:** Commissioner McGuffey, **Vote:** Motion carried by unanimous vote, (**Summary:** Yes=3)

Mr. Whitten commended Dean Haymore, Stacey Bucchianeri, and team, for letters sent to all businesses in TRI as a reminder that all suppliers to the businesses need licensing.

18. PUBLIC COMMENT (No Action)

Mark Joseph Phillips: Has determined the Storey County Democratic Central Committee does not exist. There is no record anywhere.

19. ADJOURNMENT

The meeting was adjourned by the call of the Chair at 11:58 AM

Respectfully submitted,

By _____
Vanessa Stephens Clerk-Treasurer