



STOREY COUNTY BOARD OF COUNTY COMMISSIONERS MEETING

TUESDAY, OCTOBER 4, 2016 10:00 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, Fire Chief Gary Hames, District Attorney Anne Langer, Clerk & Treasurer Vanessa Stephens, Comptroller Hugh Gallagher, Deputy District Attorney Keith Loomis, Community Outreach Director Cherie Nevin, Public Works Director Mike Nevin, Recorder Jen Chapman, Planning Director/Administrative Officer Austin Osborne, Planner Jason VanHavel

1. CALL TO ORDER REGULAR MEETING AT 10:00 A.M.

Meeting was called to order by the Chair at 10:01am

2. PLEDGE OF ALLEGIANCE

The Chair led those present in the Pledge of Allegiance.

3. DISCUSSION/POSSIBLE ACTION: Approval of Agenda for September 20, 2016

Motion: Approve Agenda for October 4, 2016, **Action:** Approve, **Moved by:** Vice Chair Gilman, **Seconded by:** Commissioner McGuffey, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

4. DISCUSSION/POSSIBLE ACTION: Approval of Minutes for September 6, 2016

Motion: Approve Minutes for September 6, 2016, **Action:** Approve, **Moved by:** Vice Chair Gilman, **Seconded by:** Commissioner McGuffey, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

5. CONSENT AGENDA :

- I For possible action: Approval of Assessor's recommended coorections to the 2016-17 Secured Tax Roll for Exemptions.
- II For possible action: Approval of the Assessor's Log of Changes made to the 2016-17 Secured Roll pursuant to NRS 361.310.
- III For possible approval Payroll checks dated 09/23/2016 for \$370,318.89. Accounts Payable checks dated 09/14/2016 for \$1,351,775.72.
- IV For possible action: Approval of Assessor's recommended corrections to the 2016-17 Secured Tax Roll for Clerical Error.
- V For possible action: Approval of licensing board first reading for Bonanza Saloon, General Cabaret License. A local business to operate out of 27 N C St., Virginia City, Nevada. Tina Perkins, Applicant.
- VI For possible action: Approval of licensing board first readings:
 - A. LEGACY FIRE SERVICES, LLC. - Contractor/1380 Greg Street-Sparks (fire protection contractor)
 - B. MORROW EQUIPMENT COMPANY, LLC - Contractor/3218 Pringle Rd-Salem, OR (cranes/hoists)
 - C. SWFL, INC., dba Filament-Contractor/100 North Arlington-Reno (wireless sensor network)
 - D. BOMBARD ELECTRIC, LLC - Contractor/3570 W. Post Rd-Las Vegas (electrical contractor)
 - E. MUNDIAL GROUP, INC. - Contractor/81 Bairn-Silverlake, WA (quality control)
 - F. RENOWN REGIONAL MEDICAL CENTER - Nonprofit/1155 Mill Street-Reno (home care)
 - G. BEAR COMMUNICATIONS, INC., dba Bearcom - Contractor/5720 Arville St. - Las Vegas (telecomm)
 - H. ERICSSON, INC. - Contractor/6300 Legacy Dr-Plano, TX (telecom)
 - I. PINWIDDIE-HINES CONSTRUCTION, INC. dba DH of Nevada - Contractor/1105 Freeport - Sparks (general contractor)
 - J. AECOM TECHNICAL SERVICES, INC. - Professional/1 East 1st St-Reno (engineering consultant)
 - K. M2 TRANSPORT - General/ 1230 Westfield- Reno (transportation)
 - L. FIGUEROA'S CLEANING dba Figueroa's Cleaning - General/5945 W. Vanger Rd.-Reno (cleaning)
 - M. ENVIRONMENTAL SPRAY SYSTEMS, INC. - Contractor/7114 Convoy Ct.-San Diego (equipment)
 - N. B&J, INC. - Contractor/599 E Nugget Ave- Sparks (machine shop)
 - O. D.W. NICHOLSON CORP - Contractor/24747 Clawiter Rd-Hayward, CA (equipment)
 - P. ARELLANO HEATING & AIR CONDITIONING LLC - Contractor/32 S. Main-Yerington (cont.)
 - Q. G&G BUILDING SERVICES, INC.- Contractor/P.O. Box 20851-Greenfield, WI (equipment)
 - R. DPR CONSTRUCTION, A GENERAL PARTNERSHIP - Professional/1450 Veterans Blvd-Redwood City, CA (consulting)
 - S. HORIZON COMMUNICATIONS TECHNOLOGIES - Contractor/30 Fiabanks -

END OF CONSENT AGENDA

Chairman McBride and Vice Chairman Gilman disclosed they are business owners on C Street with general and cabaret licensing.

Motion: Approve Consent Calendar for October 4 2016, **Action:** Approve, **Moved by:** Vice Chair Gilman, **Seconded by:** Commissioner McGuffey, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

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

Community Outreach Director, Cherie Nevin:

- Mark Twain Community Center is hosting a Health Fair on October 8th, from 9AM to 3:30PM. The Nevada Health Center Mammovan will be present along with other health care and welfare vendors. Flu shots will also be available.
- Suggestions for CDBG projects need to be submitted by October 5, 2016.

Nicole Barde, Senior Citizen Center:

- Stacy Gilbert has been hired as the new Director of the Senior Center.

Merilee Miller, Lockwood Community Center:

- Ms. Miller presented the Board with copies of the Lockwood 100 year anniversary photo album.
- Committee members have picked out kitchen cabinets for the Community Center. The cabinets will be ordered as soon as measurements are done.

Jason VanHavel, Planner:

- The NDOT funded bike plan for Storey County is in the final stages and will be presented to the Board at an up-coming meeting.
- The solid-waste management plan for the County is being updated and will be presented when complete.

Public Works Director, Mike Nevin:

- Cape slurry seal project started in Lockwood and will begin in the Highlands tomorrow. Reader boards have been posted with the dates. This work will be done on Six Mile Canyon Thursday and Friday, with Mark Twain Estates to follow.
- The park project is behind due to unforeseen problems with utilities. The playground equipment will be erected by end of next week and then the pavers will be installed.

Planning Director/Administrative Officer Austin Osborne:

- The Lands Bill is moving forward - the transfer of land from the BLM to the County, and then to the homeowners is proceeding. After meeting with BLM State Director, it is apparent that BLM is continuing consistent dialogue to get this done.
- The next Planning Commission meeting will be Thursday, October 6th - 6PM, at the Courthouse.
- Mr. Osborne rebutted a September 23rd Comstock Chronicle article entitled "Oops. VC Leaks, again?" falsely alleging that the County did not respond to the newspaper's public information

inquiries, and a second article in the same edition of the Chronicle describing Storey County as a rotting fish. The rebuttal explained that the County provided the Chronicle its requested information, including copies of policies and an explanation of investigatory action being taken regarding alleged release of confidential information by one or more persons, and that the County responded within a timeframe stated as acceptable to the newspaper, but that the newspaper falsely reported that the County failed to respond to its requests.

Comptroller, Hugh Gallagher:

- The first quarter budget review will be presented at the next meeting.
- The certified audit is going very well and is 90% complete. As explained at the previous Commission meeting, there are a couple of GASB (Government Accounting Standards Board) items that need to be completed. In addition there is a review of retiree services that needs to be completed.

Deputy District Attorney, Keith Loomis:

- Update on the Malfitano case - appeal of denial of the application for liquor and general business licenses for the Bonanza Saloon and the liquor license for the Delta:
 1. The County's response to the opening brief has been completed;
 2. Malfitano has approximately 30 days to file a reply brief, which will be reviewed by the Nevada Supreme Court staff to decide whether or not to schedule oral argument or to proceed without.

County Manager Pat Whitten:

- During the recent Governor's Economic Development Conference, Mr. Whitten conducted a tour of TRI. The tour participants included regional and governmental leaders from around the State, as well as the private sector.
- The process continues for a new Public Works Director. There is approximately 90 days before the current Director, Mike Nevin, retires.

7. BOARD COMMENT: (No Action - No Public Comment)

Commissioner McGuffey:

- The last NACO meeting covered a wide range of topics including:
 1. The Fuel Indexing Bill - which all counties are required to put on the ballot;
 2. The Navy's proposal for expansion north and south of Fallon. A lot of areas will be closed to the public that are now open;
 3. NACO approved joining the National Wild Horse and Burro Rangeland Coalition as a general member to insure the public has a voice.

Chairman McBride:

- Street Vibrations was held two weeks ago and was a great celebration - the biggest one day event of the year, with thousands of people in town. Many visitors remarked on the hospitality of the town. Hats off to the Sheriff's Department which received many compliments about the Department's interaction with participants and visitors.
- The Outhouse Races and Undie Run last weekend drew a record number of participants and was enjoyed by many who were in town for the event. This is one of Virginia City's premier events.

8. DISCUSSION/POSSIBLE ACTION: Storey County to become a signatory to the Carson Water Subconservancy District (CWSD) FEMA Risk Charter that already exists between the CWSD, Federal Emergency Management Agency (FEMA) Region IX ["9"], U. S. Army Corps of Engineers (USACE), U. S. Geological Survey (USGS), U.S. Department of the Interior Bureau of Reclamation (USBR),

State NFIP Coordinator, State Hazard Mitigation Office, and other partners to identify, assess, communicate, and plan for flood risks within the Carson River Watershed including portions within Storey County including, but not limited to, Virginia City, Gold Hill, American Flat, and Mark Twain, in addition to other jurisdictions already participating in the charter including portions of Douglas, Carson City, Lyon, and Churchill Counties in Nevada and Alpine County in California.

Ed James, Director of CWSD, discussed the mechanics of this Charter and its history:

- The CWSD has been working with its entities in dealing with flooding - a huge issue in this area.
- There have been concerns with studies provided by FEMA. CWSD feels it is more appropriate to deal with issues at a local level as the counties know what is needed.
- CWSD discussed this issue with FEMA and said CWSD would meet FEMA goals, but it would be done on a local level with local input.
- CWSD had been doing this for years when FEMA came up with the charter concept.
- This (charter) is an opportunity to bring up issues locally and then to FEMA as a partner. Flooding does not follow county lines, so this is a regional process.
- CWSD is a cooperative, technical partner with FEMA and can go after grants. Once a year the participants of the charter get together to discuss what programs to pursue under the next year's funding. A grant request is then submitted to FEMA. There have been seven successful requests in a row giving an opportunity to deal with flooding.
- By signing the charter, it shows cooperation and will dictate more what the County would like to pursue in the future.
- The goal is to reduce flood risk in the communities.
- There is nothing in the charter that dictates the County must follow any of the Federal programs.

Chairman McBride: Is there any financial impact to the County?

Mr. James: Not unless the County wants to put funds in to the program. The County will be dictating this. If the CWSD goes after a grant, there may be some things that the County would like which may include some staff time committed if the County feels it would be important to the community.

Mr. Osborne: Has worked on the CWSD Board for 8 years and is very impressed with the staff and the Board.

- CWSD is truly concerned with how to make the Carson River work for farmers, agriculture, and non-agriculture uses and to establish a cohesive relationship between all of the counties that are involved in this watershed.
- This is a non-regulatory Board with the purpose not to regulate but to improve and create collaboration.
- Through this charter, the Federal Government will allow a district like this - through regional cooperation - to say that they know the regulations are coming and also allow the local agencies to make decisions in mapping, mitigation, planning, and items they want to see happen. As long as the FEMA other agencies criteria are met, these decisions and items will be accepted - as opposed to agencies in other parts of the country trying to do flood planning and mitigation in this area when they have no idea what they're doing but it matches computer models.
- This charter is also an engaging mechanism that will allow the County to deal with flooding issues in Mark Twain and put mitigation in place where the County will be able to tie in to CWSD resources, including funding availability. This will enable the County to actually get a plan and start building in that area in the next five year period.

- If the County does not like the charter, there are escape clauses that can be utilized.

Public Comment:
None

Motion: In accordance with the recommendation by staff, I, Lance Gilman, hereby motion for Storey County to become a signatory to the FEMA Risk Charter of the Carson Water Subconservancy District (CWSD) now existing between the CWSD, Federal Emergency Management Agency (FEMA) Region IX [“9”], U. S. Army Corps of Engineers (USACE), U. S. Geological Survey (USGS), U.S. Department of the Interior Bureau of Reclamation (USBR), State NFIP Coordinator, State Hazard Mitigation Office, and other partners listed in the Charter to identify, assess, communicate, and plan for flood risks within the Carson River Watershed including portions within Storey County including, but not limited to, Virginia City, Gold Hill, American Flat, and Mark Twain,

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: Water quality in Lockwood, requested by Larry Huddleson.

Lockwood resident, Larry Huddleson, gave a presentation regarding concerns about safe drinking water in the Lockwood Community.

Mr. Huddleson reviewed a timeline that he prepared and presented it to the Commissioners:

- In June there was a report of brown water.
- Subsequently a homeowner was diagnosed with a bacterial infection caused by bad water. UNR took water samples from the homeowner’s residence.
- Canyon GID suggested if there was brown water residents should run all faucets to flush it out and there would be no charges for monthly over water uses. Everyone was still charged.
- There were facebook posts indicating someone came out and accused a resident of capping the water, turning faucets on and then letting it go - which caused brown water.
- On August 21st, residents were informed that the problems were solved.
- EPA reps attended a Canyon GID meeting and were unaware of the previous report. After reviewing this report, they (EPA) issued a document to the GID stating there were significant deficiencies and requested certain things be done and dates to be completed.
- At a candidate forum, a GID candidate stated that it would be a waste of water to flush the system.
- Other residents are concerned that if they complain, the GID will shut off water.
- Mr. Huddleson is asking for help from the Commission to make sure Lockwood has healthy water. He just learned of a report that says the water is great - it should be broadcast to the community - it is a secret.
- Mr. Huddleson discussed the level of arsenic in the water which is near the edge. Help is needed to insure the water is safe.

Chairman McBride: Mr. Huddleson says that some of the water levels are elevated. Has it been said that the water levels are unacceptable or dangerous? At that point, wouldn’t a “boil order” be issued?

Mr. Huddleson: Doesn’t know. All Mr. Huddleson knows is that there is a fear factor that if “I complain they are going to shut my water off”. And residents can’t be convinced other than that. There was a water problem, they refused to acknowledge it was there. When it was acknowledged and the person did the process that was supposed to be done, that person was accused of doing it intentionally. Something is not right.

County Manager Whitten: Was given the letter this morning so it is no longer a secret. It will be presented to the County Clerk as a matter of record, as well as to the Commissioners, and the District Attorney.

Mr. Huddleson: The other concern is the EPA knew nothing of my letter/testing, yet the GID had that report. It appears neither the EPA nor Lockwood are getting all of information. Mr. Huddleson's test results were given to the EPA and the GID at the meeting. The EPA had no record of it until given to them at that time.

Chairman McBride: What would be the reason they wouldn't have it until you gave it to them?

Mr. Huddleson: There may not be a reason. If I were a company who wanted someone to defend me, I would at least want to have all the information so as not to be blindsided.

Vice Chairman Gilman: Is it probable there was a follow up letter from NDEP which basically certified the water is potable and safe? Is there a recent document?

Mr. Huddleson: Does not know. He would have to ask for it - it does not come out everywhere. If the GID got it, where is it? The date of the NDEP letter was August 26th.

Commissioner McGuffey: Have you called to ask for any other information since then?

Mr. Huddleson: No. It was hoped they (NDEP) would be here to discuss this. Is there a way to sit down and review test results with someone?

Mr. Whitten: Suggests that Mr. Huddleson meet with Commissioner Gilman and Mr. Whitten to review this situation and will follow Mr. Huddleson's lead as to whether or not a GID representative should be included.

Mitch Andrini, Manager of Canyon GID: This district is responsible for water, sewer, streets, and storm drains.

- If the water was unsafe in Canyon GID, the NDEP and Bureau of Safe Drinking Water would be all over it. These organizations regulate the GID.
- The GID is under requirement to do a lot of testing - which is being done monthly at this time.
- If there was an issue with any results, the GID would be told to boil the water.
- Iron and manganese in the water are not considered contaminants or a health hazard for human consumption.
- It is not denied that there was an issue with rust-colored water.
- The GID cannot shut off anyone's water.
- Mr. Huddleston did not give Mr. Andrini any results, nor talked to Mr. Andrini about it.
- Natural occurring iron and manganese is treated.
- The GID has a "state of the art" water plant.
- The water is almost drinkable right out of the ground. Chlorine requirements are fulfilled. A by-product of the treatment for iron and manganese is treatment of arsenic, if there is any.
- Bacteria samples are done.
- The GID has been taking 15 or 20 results covering everything the water offers and had no issues. The GID is not denying that something happened and is under the assumption it was due to a fire hydrant opening when fires were being fought and it only affected a small portion of the community.
- The water plant is a looped system. If there was an issue, everyone would have it.

- **Rust colored water is a common occurrence.** Usually after ½ hour of flushing the water, it goes away. Mr. Andrini commented he would not want to drink it either and the concerns are understood. This is why the notice was sent out. It was not deliberate that there was rust colored water in the system.
- Mr. Huddleson does not have a report that water was unsafe. Ten residents called and each received a response. Outside water is tested, and if it comes out clear, that is all that can be done.
- Not everything is published, but all is on record. If someone calls with an issue, the GID is happy to share results.
- Tests are usually conducted quarterly but now due to the manganese, tests are being conducted monthly.
- Once a flushing program is done, iron and manganese is reintroduced into the system again as it builds up in the pipes over the years. The GID does not rush into a flushing program - it has to be engineered.
- The Fire Chief is on board with the GID to get a flushing program going.
- There is no way the GID can shut off people's water.

Vice Chairman Gilman: Is water quality tested at the well head where the water is received or at the consumer's faucet?

Mr. Andrini: Both. These sites are all approved by the NDEP. There are two addresses in the neighborhood.

Vice Chair Gilman: Are you familiar with the letter that came out about August 26th from NDEP with recommendations or suggestions for the GID?

Mr. Andrini: Yes. And the GID responded. Since this time the sanitary survey has been done - the NDEP checks all of the facilities and make recommendations. Several items are usually found such as need for a new valve or tank lid, along with standard items such as updates of emergency response and water samplings.

Chair McBride: Has the GID ever been threatened with a "show cause" hearing by NDEP?

Mr. Andrini: No. It is understood that NDEP is not the enemy, but is here to make sure the GID is doing its job and the water is safe.

Vice Chair Gilman: In the interest of the community - Flint, Michigan found out what it's like to make a mistake and set a precedent - it seems this could be easily resolved if a meeting is held with Mr. Huddleson, Mr. Whitten, Mr. Gilman, and the GID to look at the information collected by Mr. Huddleson versus what the GID has.

Mr. Whitten: Would be happy to coordinate that meeting. Most likely the Public Works Director and Water Treatment supervisor would also be included.

Commissioner McGuffey: At a meeting in Lockwood last night, only one person and one hesitant person - out of about 50 - raised hands when asked who actually had dirty water at this time. About one-half of the attendees indicated they have had dirty water at some time. Why would only two people have dirty water?

Mr. Andrini: At that meeting, residents were asked to please call the office if affected by dirty water. Zero calls were received. There are several things that could cause dirty water - a defective water heater, a dirty filtration system, dirty or broken pipes.

Public Comment:
None

10. DISCUSSION/POSSIBLE ACTION: Approve an award of the contract for improvements to the courthouse parking lot project (Project No. ST-2015-197) to the bidder submitting the most qualified bid.

Deputy District Attorney Keith Loomis presented this item. Also present: Chuck Reno from Farr West Engineering.

Mr. Reno discussed the background of this project.

- A mandatory, pre-bid meeting was held on September 13th.
- This project is for the improvement of the parking lot including 75 parking stalls, electrical, landscaping, and a perimeter block wall.
- The bid opening was held on September 27th at the Farr West office with seven bidders present.
- The base bid amount, for the construction, averaged \$360,000. The alternate bid average, for the paving portion, was around \$118,000.
- References were verified for the lowest, responsible bidder - Peek Brothers, as well as for the second lowest bidder, MKD Construction. Results were good.
- A recommendation award was made to Peek Brothers for the base bid, plus alternate, in the amount of \$439,196.
- Farr West Engineering recommends award to Peek Brothers, the lowest, responsible, responsive bidder.

Mr. Loomis: An issue during the process was that the MKD Construction bid was within five percent of the Peek Brothers bid, meaning that if MKD could receive a preference for the bid it would potentially be considered better than Peek Brothers. MKD sought a Nevada employment preference requiring an affidavit stating compliance with the preference requirements within two hours of the bid opening. Twenty-four hours later, the attorney for MKD submitted the affidavit, acknowledging that it was late, stating that it was a diminimus problem and the bid should be accepted.

In response, Mr. Loomis commented that argument from Peek Brothers would state that MKD didn't get the affidavit in on time and the Peek bid would be the best if not for the preference that would be given to MKD. Mr. Loomis prefers the Peek Brothers argument as MKD did not comply with the statutory time for filing the affidavit.

Mr. Loomis supports the recommendation of Farr West Engineering.

Public Comment:
None

Motion: In accordance with the applicable federal, state, and county regulations , and the recommendation for approval by staff, I, Commissioner Lance Gilman, motion to approve an award of the contract for improvements to the courthouse parking lot project (Project No. ST-2015-197) to Peek Brothers, submitting the most qualified bid, **Action:** Approve, **Moved by:** Vice Chair Gilman, **Seconded by:** Commissioner McGuffey, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

The Chair called for recess at 11:30AM

Meeting reconvened at 11:48AM

11. DISCUSSION/POSSIBLE ACTION: Consideration and possible action on application for a business license for a medical marijuana dispensary for MM R&D LLC on C Street in Virginia City, Nevada.

Deputy District Attorney, Keith Loomis, presented this item:

- The County has been sued by MM R&D LLC for not granting a medical marijuana dispensary license to them. The suit was referred to the "Pool", who in turn referred it to attorney Hardy of Marquis Aurbach, in Las Vegas, to provide representation in this matter. Mr. Hardy is very experienced in medical marijuana establishment issues.
- After filing the lawsuit, MM R&D was told to file for a business license. The decision of whether or not to issue the license is before the Commission today.
- The address referenced in the application is 208 N C Street. The State has authorized provisional licensure for an address at 226 N C Street. The agenda item is not specific as to where this dispensary would be located.
- The staff recommendation is to deny the business license for the reason that the County has a zoning ordinance, 17.12.100 (b) stating: uses involving the sale, display, cultivation, or use of marijuana or illegal drugs or paraphernalia commonly used or associated with the use of marijuana or any illegal drug is prohibited.
- Based on this zoning ordinance prohibiting the use of marijuana, the District Attorney's office and staff recommendation is to deny the business license for the medical marijuana dispensary today.

Eva Segerbloom, attorney for MM R&D LLC, introduced owner Stephen McNeal, and Julie Montero, a registered nurse involved in the operation:

- Nevada citizens voted overwhelmingly in support of making medical marijuana constitutional.
- The language of the zoning regulation discussed by Mr. Loomis specifically talks about illegal drugs - not medical marijuana.
- Medical marijuana is different than marijuana and illegal drugs - because it is constitutional.
- The address is 208 N C Street and falls within the 5 mile rule.
- Surveys have been done, and this (request) complies with the Constitution and the State's regulatory scheme. This includes the 5 mile rule stating that if a provisional license is granted for one location you're allowed to move within 5 miles of that location provided it meets all requirements - far enough away from schools, community centers, etc. The survey is attached to the business license application.
- For patients from Storey County that could benefit from medical marijuana usage, this is the only medical marijuana establishment approved for Storey County. By law, only one dispensary would be allowed for Storey County. If this one does not open, there will not be another one, and patients will have to travel further. Weather makes it difficult if people have to travel outside of the county.

- This is a very rigorous, statutory scheme with a lot of safeguards in place. The most well-regulated scheme in the entire country - in terms of security and what patients have to do to get a card to be allowed in.
- The Commissioners are urged to consider the taxes from medical marijuana that could benefit citizens, as well as the implications of Question 2.
- If Question 2 passes with the State allowing adult usage, medical marijuana establishments will be “grandfathered in” for that adult usage. If this happens and there is no dispensary in Storey County, the County will lose out on potential tax income which could benefit the residents.
- Taxes will go directly to education. Under Question 2, it is a 15% tax on top of 10%.
- Recently, Ms. Segerbloom and representatives of MM R&D have talked with residents of Storey County finding a lot of people in support.

Stephen McNeal, Owner of MM R&D LLC:

- Received the permit two years ago, along with one in Fallon.
- (Patients) have to go to a medical doctor, apply with the State, and then can come into the store - through a locked door, where medical marijuana is kept. It is legal.
- The benefits of marijuana are incredible.

Julie Montero, Registered Nurse:

- Has worked many years in hospitals in southern Nevada.
- There has been a medical marijuana program in Nevada since 2001.
- Marijuana is a natural, very healing plant.
- As a medical provider, Ms. Montero has educated constituents and talked with Commissioners and Council members in Las Vegas.
- Many members of this community are patients and want a natural answer to a treatment plan.
- You (Storey County) have the opportunity for the police, the fire department, educational system to have more funds, and will have the choice where the funds go.
- It is an opportunity and, understood, an option for the County. These are big decisions.
- Ms. Montero educates the state and has a publication “Cannibis Nurses Magazines.com” and challenges everyone to educate themselves.

Public Comment:

Edith Andreas, Virginia City Resident: Lives within a couple of blocks of both of the proposed addresses for this pharmacy.

- Rejects the comments of MM R&D that the planned dispensary is local, compassionate care.
- Residents of Virginia City and the immediate area who are patients with a prescription for any medicine need to go to Reno, Carson City, Dayton, or a comparable place to get the prescription filled.
- If MM R&D was seeking to establish a full service pharmacy in Virginia City this effort would be more widely supported and it would be within Storey County’s existing zoning restrictions.
- Why should this community create an exception to the zoning ordinances that all have had to comply with, in order for (MM R&D) to profit from a very narrow spectrum of patients.
- There are concerns about local safety and health. Ms. Andreas did research and believes the County can expect negative consequences. Ms. Andreas reviewed the research.
- A local newspaper wrote that after talking with Mr. McNeal, who had spoken with people of all ages, that everyone - 100% - was in favor of the idea.
- Ms. Andreas was opposed in 2014 and is opposed now. Other residents living a few blocks away from the location, are also opposed. It is not right for the community.

Nicole Barde, Storey County resident: Does not care one way or the other. Ms. Barde understands denying (this request) based on an ordinance, but does not understand why the ordinance cannot be

changed. In situations such as the brothel ordinance, ordinances are changed. The brothel ordinance has been changed several times. Why not change the ordinance about marijuana, which is ambiguous -and revise it to be more accommodating?

Mike Nevin, Storey County citizen, taxpayer, and resident: Lives within a quarter block of the proposed location and is adamantly opposed.

Bill Avansino, Virginia City lifetime resident: Lives within the boundaries of the proposed 208 C Street - is also opposed and would not like this near the neighborhood, grandchildren, or any other children going to and from the park or the baseball field.

Mark Joseph Phillips, Virginia City resident: This ordinance was approved at the end of 2012 by two previous Commissioners and it is obsolete.

- In July 2014, the Nevada Association of Counties sent a memorandum stating Storey and Lyon Counties had opted out of the medical marijuana establishment program.
- In September 2014, this Commission passed an ordinance putting a moratorium prohibiting medical marijuana establishments for a year.
- No new ordinance, no discussion since then.
- Reference to marijuana in Title 17 zoning is buried in the definition - it's not clear to the public.

Tamara Merlon, Sparks resident:

- Worked and managed one of the busiest marijuana dispensaries in Nevada - Sparks.
- This is very regulated and professionally run.
- There were very good relations with sheriffs and police.
- If there was break-in next door, the police knew there would be photos and videos of perpetrators due to the sophisticated security systems. It is very safe.
- Patients feel safe.
- Patients take this medicine very seriously. Overwhelmingly, the patients are "baby boomers" - disabled, on limited income, veterans. This is an alternative, natural medicine for those tired of taking chemical medications.
- The medication cannot be opened until the patient gets home and all abide by the regulations.
- It is not a party atmosphere.
- There have been no issues around the premises. It is very professional on the outside, people driving by have no idea it is a dispensary.
- The State of Nevada watched other states to see what was working. Nevada followed Arizona, which is like a doctor's or pharmacy's office model of business.
- Ms. Merlon supports this green pharmacy - patients need access to their medicines.

Sam Toll, Storey County resident:

- Speaking on behalf of the Libertarian Party, Storey County chapter.
- It's counterintuitive to think that providing the opportunity for medicinal marijuana to be available to the public that the public would suffer from safety issues.
- High school kids cannot walk through the door of the dispensary as ID will be checked and you have to go to a doctor first.
- The black market provides opportunities for kids to have access to all kinds of substances.
- Research regarding DUI's from marijuana usage show instances did increase but were statistically minimal.
- This is an opportunity to provide Storey County residents with access to a legal, State authorized and mandated substance.
- Mr. Toll believes Storey County had the opportunity to "opt out" when the State first asked if this was something the County wanted - the County chose to not opt out.

- Mr. McNeal appears to be an up-standing citizen - not a “dope dealer”.
- The Libertarian Party of Nevada urges the Commission to go against counsel and approve the license requested.

Stephen McNeal, MM R&D CEO :

- To clarify, when first applying in Storey County, Mr. McNeal read the law that is being talked about - that it's against the law to sell, purchase, or have marijuana.
- What is being talked about is a highly regulated business - medical marijuana.
- The difference is marijuana is illegal, not tested, and can only be bought on the black market.
- Medical marijuana is highly regulated. A State license is required costing \$30,000, with renewal each year at a cost of \$5,000. Stores must have security with cameras and locked doors.
- Mr. McNeal deals with medical marijuana only.
- A recent report indicates that marijuana kills cancer cells.
- The business is set up with three steps: A person must go to the doctor, then to the State, and then to the business. Purchase can be done on the internet where the product is picked up at the State cultivation-production facility and taken to the customer. There is no product in Mr. McNeal's stores. Customers come into the store and can be assisted with on-line purchase.
- Mr. McNeal provides a registered nurse for consultation.

Pierre, Las Vegas resident:

- Has been talking with local residents and understands the concerns.
- The purpose is to provide good medicine to good people and to avoid abuse.
- Pierre has talked to people who indicate that medical cannabis is the only relief for their various medical conditions. This medicine can come with no THC levels; people will not get stoned.
- Pierre discussed other situations where cannabis was a benefit for medical conditions.

Bob Summers, Virginia City foothills resident:

- Supports the “Green Cross Pharmacy” and is a principal member of Nevada Botanical Science, a group of local physicians and health care professionals operating a cultivation, production facility in north Reno. This is a responsible, compassionate, professional business.
- This is medicine. It is often the safest and most effective alternative to conventional medication.
- This is a highly regulated and professional industry.
- These businesses generate revenue, create jobs, help patients, and have a positive impact in the community.

County Manager Whitten:

- The record needs to be clear - there was comment that the last time the zoning ordinance was considered was in 2012. Mr. Whitten believes the zoning ordinance was last considered in 2014, with two of the current Commissioners on the Board.

Commissioner McGuffey : How many patients are there in Virginia City? Looking at this as a business - if there are not enough clients, you cannot be in business.

Cece Stanton , with the Cannabis Network of Nevada:

- These are medical records. Unfortunately that data is not available as it goes against HIPA compliance.

Julie Montero :

- The State of Nevada has constituted reciprocity. This means that every visitor/tourist from another state holding a medical marijuana card will be able to purchase here in a safe environment. The cards will be verified and only a certain amount can be purchased.
- The medicine is not just the flower bud, it is also lotions, capsules, tinctures, patches and salves.
- There are over 22,000 patients in Nevada. Prior to dispensaries, there were 7,000.
- Every tourist cardholder is revenue for the community.

Vice Chairman Gilman: Stated that he maintains drug free businesses and is not in favor of putting this business in this community.

Chairman McBride: The current County code does not allow this type of business in the current zoning ordinance. The Commission could not approve this license today if it wanted to. If the Commission wanted to change the ordinance - that process would have to be done first, and then re-visit whatever type of business license regulation there might be. Right now, it is not legal in this county under the current ordinance, and it is staff and legal counsel's recommendation to deny this business license. That said, a motion to that effect is requested - to deny this business license based on these findings.

Motion: Move to deny the business license application for a medical marijuana dispensary because the current zoning ordinance does not authorize the approval of medical marijuana establishments in Storey County, **Action:** Approve, **Moved by:** Vice Chair Gilman, **Seconded by:** Commissioner McGuffey, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

12. RECESS TO CONVENE AS THE STOREY COUNTY LIQUOR LICENSE BOARD

13. DISCUSSION/POSSIBLE ACTION: Liquor Board First Reading: Bonanza Saloon, Liquor License on & off sale. A local business to operate out of 27 N C St., Virginia City, Nevada. Tina Perkins, Applicant.

Chairman McBride and Vice Chairman Gilman disclosed that they own liquor licenses on C Street.

Sgt. Tony Dosen presented this item providing information regarding the applicant, but will not vote as he does not have the Sheriff's proxy.

Sgt. Dosen: This is the first reading and the matter is still in the background process.

Public Comment:
None

Motion: Approve the Liquor Board First Reading: Bonanza Saloon, Liquor License on & off sale, a local business to operate out of 27 N C St., Virginia City, Nevada. Tina Perkins, Applicant, **Action:** Approve, **Moved by:** Vice Chair Gilman, **Seconded by:** Commissioner McGuffey, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

14. ADJOURN TO RECONVENE AS THE STOREY COUNTY BOARD OF COMMISSIONERS

15. DISCUSSION/POSSIBLE ACTION: Licensing board second readings:

A. IAT CO., LTD. – Contractor / Fukushima JAPAN (equipment startup)

B. TOTAL FACILITY SOLUTIONS, INC. – Contractor / 1001 Klein Road ~ Plano, TX (mech cont)
C. SOUTHLAND INDUSTRIES – General / 96 Megabyte (hvac, plumbing design) TRI
D. TKO STAFFING, INC. – General / 10600 University Ave ~ Coon Rapids, MN (staffing)
E. RUBYCOM ENGINEERING, INC. – Contractor / 488 Fukujima JAPAN (equipment startup)
F. MITSUTEC CO., LTD – Contractor / 134-1 Nakamura JAPAN (equipment startup)
G. INTERMOUNTAIN SLURRY SEAL – Contractor / 1120 Terminal Way ~ Reno (pavement preserv.)
H. TAIYO MACHINERY MFG CO., LTD – Contractor / 1-11-27 Osaka JAPAN (equipment startup)
I. PERO CORPORATION – Contractor / 900 G River Street ~ Windsor, CT (equipment startup)
J. ELWOOD STAFFING SVC., INC dba Elwood Staffing and Elwood Tradesmen – General / 4111 Central Ave ~ Columbus, IN (staffing agency)
K. AM TECHNICAL SOLUTIONS, INC. – Contractor / 2213 RR 620 N #105 ~ Austin, TX (purity
L. VALDO MAINTENANCE, LLC dba VT Maintenance – General / 88 Megabyte (truck repair)TRI
M. CHEWY, INC. – General / 385 Milan (ecommerce, fulfillment) TRI
N. SSUSA WEST, LLC – General / 470 East Sydney (steam sterilization of herbs/spices) TRI
O. AQUA METALS RENO, INC. – General / 2500 Peru Drive (battery recycling facility) TRI

Mr. Whitten, on behalf of Community Development, recommends continuation of items L., M., N., and O.

Motion: Continue Items L., M., N., and O., **Action:** Approve, **Moved by:** Vice Chair Gilman,
Seconded by: Commissioner McGuffey, **Vote:** Motion carried by unanimous vote, **(Summary:**
 Yes=3)

Community Development recommends approval of items A. through K.

Motion: Approve Second Reading of Items A. through K., **Action:** Approve, **Moved by:** Vice
 Chair Gilman, **Seconded by:** Commissioner McGuffey, **Vote:** Motion carried by unanimous vote,
(Summary: Yes=3)

16. PUBLIC COMMENT (No Action):

17. ADJOURNMENT

The meeting was adjourned by the Chair at 12:25 AM

Respectfully submitted,

By: _____
 Vanessa Stephens Clerk-Treasurer