



STOREY COUNTY BOARD OF COUNTY COMMISSIONERS MEETING

TUESDAY, MARCH 21, 2017 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 McGuffey, Commissioner Gilman, County Manager Pat Whitten, Clerk & Treasurer Vanessa Stephens, District Attorney Anne Langer, Deputy District Attorney Keith Loomis, Comptroller Hugh Gallagher, Community Relations Coordinator Cherie Nevin, Planning Director/Administrative Officer Austin Osborne, Community Development Director Dean Haymore, Assessor Jana Seddon, Public Works Director Jason VanHavel, Chief Deputy Tony Dosen, Fire Chief Gary Hames, Fire Chief Appointee Jeff Nevin, Director of Security Melanie Keener, Emergency Management Director Joe Curtis

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

Meeting was called to order by Chairman McBride at 10:00 A.M.

2. PLEDGE OF ALLEGIANCE

Chairman McBride led those present in the Pledge of Allegiance.

3. DISCUSSION/POSSIBLE ACTION: Approval of Agenda for March 21, 2017

Motion: Approve Agenda for March 21, 2017, **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

4. CONSENT AGENDA

I For possible action: Approval of contract renewal for Mark Stafford for services of independent contractor to assess property in Tahoe-Reno Industrial Center.

II For possible action: Approval to begin the April 4, 2017 Board of County Commissioners meeting at 9:00am to allow adequate time for budget hearings.

III For possible action: Approval of the Treasurer's report for February 2017.

IV For possible action: Approval of payroll claims in the amount of \$891,392.03 and accounts payable claims in the amount of \$925,337.23.

V For possible action: Approval of Licensing Board First Readings:

- A. **R. F. MACDONALD COMPANY** – Contractor / 25920 Eden Landing Rd ~ Hayward, CA (boilers)
- B. **DURR ECOCLEAN, INC.** – Contractor / 26801 Northwestern Hwy ~ Southfield, MI (ind. machinery)
- C. **EBZ SYSTEC, INC.** – General / 22251 Diesel Dr ~ McCalla, AL (supplier)
- D. **WAX ON WAX OFF MOBILE DETAIL** – General / 2225 Elcrest Dr. ~ Reno (mobile car wash)
- E. **W.W. CLYDE & CO.** – Contractor / 869 North 1500 West ~ Orem, UT (contractor)
- F. **TRADESMEN INTERNATIONAL, LLC** – General / 9760 Shepard Rd ~ Macedonia, OH (staffing)
- G. **AUTOMATION LOGISTICS CORP** – Contractor / 331 Scarlet Blvd ~ Oldsmar, FL (machine install.)
- H. **Keith Wallace dba A-SNAP** – General / PO Box 3293 ~ Turlock, CA (mobile mechanic)
- I. **KING CONSTRUCTION, INC.** – Contractor / 2040 Farm District Rd ~ Fernley (construction)
- J. **LADA CUBE, LLC** – General / 101 Canary Lane ~ Grand Jet, CO (furniture delivery)
- K. **TEKNO, INC.** – Contractor / One Wall Street ~ Cave City, KY (automation equip.)
- L. **BASTIAN AUTOMATION ENG., LLC** – General / 10585 N. Meridian ~ Indianapolis, IN (equip sales)
- M. **BANNER INDUSTRIES OF N.E., INC.** – General / 1 Industrial Drive ~ Danvers, MA (distribution)
- N. **TRUMPF, INC.** – Contractor / 111 Hyde Rd ~ Farmington, CT (mfg equip)
- O. **NEVADA BARRICADE & SIGN CO., INC.** / Contractor – PO Box 20459 ~ Reno (road const.)
- P. **CME PROFESSIONAL SVCS., LLC** / General -- 7100 Cave Creek Rd ~ Cave Creek, AZ (staffing)
- Q. **INDUSTRIAL KINETICS, INC.** – Professional / 2535 Curtiss St ~ Downers Grove, IL (matl handl equip)
- R. **KDDI AMERICA, INC.** – General / 21241 S. Western Ave ~ Torrance, CA (translation svcs.)
- S. **UL, LLC** – General / 333 Pfungsten Road ~ Northbrook, IL (safety training)
- T. **BLACK GOLD INDUSTRIES dba BGII** – Transportation / 527 North Rice Ave ~ Oxnard, CA (hazardous waste transportation)
- U. **OUT WEST BUILDINGS, LLC** – General / 7450 Reno Hwy ~ Fallon (deliver portable sheds)
- V. **HIRATA CORPORATION OF AMERICA** – Contractor / 5625 Decatur Blvd ~ Indianapolis, IN (equipment manufacturing)

Public Comment:

None

Motion: Approve Consent Agenda for March 21, 2017, **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

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

Public Works Director Jason VanHavel :

- Six Mile Canyon - Progress has been made reconstructing damage to the drainage. Hundreds of yards of rip-rap have been dumped to protect the canyon in the future.
- Steps are being taken to finalize a project with NDOT. If that happens, the County should be able to open the canyon fairly quickly.
- Under the above scenarios, Six Mile could open up in two weeks - if NDOT takes over the project - if not, two months.
- If the (NDOT) project does not move forward, the canyon will have to dry out before reconstruction of key areas (by the County) can begin.
- Drainage damage on Lousetown and Cartwright Roads in the Highlands has been addressed. Shoulders have been reconstructed and should remain intact in future, similar events.

- Some of the potholes in Virginia City have been fixed. Some of the streets have been swept.
- The swimming pool is being readied for this summer - opening near the end of the school year.
- Looking for people to fill lifeguard positions. Salary starts at \$11/hour - a great summer position for college or high school students.

Community Development Director, Dean Haymore :

- FEMA kick-off meeting will be held tomorrow regarding flood damage repairs and mitigation.
- FEMA training has been held regarding contracts and procedures.
- Meeting with insurance adjuster today regarding claims for different County buildings, bridges, and such.
- Funds are handed to the State, the State hands down to the counties. Funds to GID's have to come from the counties.
- Mr. Haymore will work with Canyon GID. The GID insured Cercle De Cerese.
- As some point, the County will need an agreement with the GID.
- FEMA replaces only 75% of costs, leaving 25% to be paid by the County.
- **The State will be requested to provide ½ of the 25% hit.**
- There is a \$5,000 deductible on every County building with a claim. FEMA will typically pay 75% of the \$5,000 (in addition to the costs).
- Still running high on business licenses - currently over 100% of last year.
- Ready to permit building "G" at Tesla.
- Meeting next week with Fulcrum engineers/planners out of Germany to start design plan.
- USA Parkway is moving along, it's a beautiful drive. The contractor has broken through to Highway 50. Completion scheduled for August, with grand opening scheduled for second week in September.

Vice Chairman McGuffey: Regarding the FEMA 25%, is that for the County, GID, or both?

Mr. Haymore: FEMA reimburses 75% of cost of damage. The recipient has to absorb the 25%. The State has a fund set aside to reimburse 12 ½% - that must be applied for. The GID will have to pay 25% separate from the County.

The railroad bridges reconstructed in the GID and Six Mile Canyon are going to be the big costs.

Community Relations Director, Cherie Nevin :

- On the FEMA match, the State has a "disaster relief account". Counties and cities can apply to that account for reimbursement. The County would have a 12 ½ % match. This has to go before the Legislature - there are no guarantees, however the County was successful in the '97 event.
- All required paperwork has been submitted. An application will have to be completed.
- The SBA is offering low-interest loans to businesses and residents affected by recent floods. Application must be made on-line.
- 35 visitors from Poland - here for a Governor's trade mission - were hosted in Virginia City last week.
- A community meeting will be held tomorrow night at the Mark Twain Community Center. There will be an update on flood-related projects.
- Has tickets available for the Community Chest's annual fundraiser April 14th at Pipers Opera House, a concert featuring legendary singer/songwriter Rodney Crowell.

Planning Director/Administrative Officer Austin Osborne :

- Currently in the health benefit, open enrollment period for employees and elected officials. Premiums will go up.

- The County team and benefits committee is looking at ways to keep premiums down, keeping benefits reasonable.
- Most likely will end up with a plan with more choices than the current plan. Such as an HSA high deductible plan with PPO, and other variations.
- Open enrollment will be held on April 5th, 10AM and 2PM, and April 6th at 9PM. This is an opportunity for all to enroll.
- LP Insurance representatives will be available to discuss plans.
- The Courthouse parking lot cannot be paved until it is completely dry. There will be more delay based on the current weather. Hopefully it will be done in two to three weeks.
- The lights in the parking lot are now on as well as the lights on the Courthouse, which have been replaced.
- The car chargers, including a Tesla charger, are being energized and ready to install.
- The Tesla charger puts the County on the maps given to Tesla owners who will see this as a place to charge and come to visit.
- The Planning Commission/USGS water study “town hall” will be held at the Highlands Fire Station on Thursday, March 23rd. USGS will give a presentation on water conditions in that area. It is important for the public to attend to give direction to County Commissioners, Planning Commissioners, and Mr. Osborne.
- The USGS will be conducting a “fly-over” to create topography maps of the Mark Twain area to be used in preparation of a flood plan for that area. This will be paid by FEMA as the County is a member of the Carson Water Subconservancy District.

Comptroller Hugh Gallagher:

- Attended NACO conference discussion regarding the ADS “retirement” taking place in 2019.
- Finding a new service is a huge project, with the Assessor’s portion being most difficult.
- The search is for a vendor that can provide all software to make this work.
- Lyon County has a new system that is “up and running”. That system may be a good choice.
- Budgets are due two weeks from today. Revenues will be less than last year - adjustments will be made as necessary.

Arika Perry, St. Mary’s Art Center Director:

- St. Mary’s recently hosted a Nevada Arts Council focus group, discussing what the arts might look like on the Comstock - how it could be more visible, how it could benefit children and adults - and growing the culture in this district.
- An outcome from this group was consideration of re-establishing the Comstock Arts Council.
- The “Spring Exhibition” is open through December 3rd.
- A membership program, along with several other new programs, has been started.
- Progress is being made on the 2nd floor exhibit - the history of St. Mary’s from pre-hospital era to the present.

Lara Matther, Fourth Ward School Director:

- A fundraising event - “Steppin’ Back in Time to 1910” - will be held Saturday, October 7th. An auction will be held featuring art made out of antique 1910 school desk pieces.

Emergency Management Director, Joe Curtis:

- There has been significant impact throughout the County from the rain and snow events.
- Thanks to all County personnel and others, who stepped up during this year’s weather events at the Emergency Management Operations Center.
- There has been a lot of strain on personnel due to the significant impact of the weather.
- There is concern about potential impact of run-off from snow melt, especially on Carson Street.

County Manager, Pat Whitten:

- Special thanks and appreciation to Highland’s residents, Jay Carmona and Gary Brownell, for the hard work and assistance during the recent storms.
- A lot of people called the Emergency Center and offered help.

County Clerk, Vanessa Stephens:

- Reported on the up-coming Recall Election of Sheriff Gerald Antinoro being held April 11, 2017 giving detailed information regarding polling places, times, and registration.
- All registered voters in the County can participate in the election.

6. DISCUSSION ONLY (No Action) : 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. Specific bills will include SB57 which staff has expressed full support.

County Manager Pat Whitten:

- SB57 - Bill to specifically re-set the Commission for the Nevada Commission for the Reconstruction of the V&T Railway.
 1. A letter was submitted by Board member Candace Duncan, apparently without authorization from the Board, in an attempt to erode efforts of all who had come to an agreement.
 2. The Bill is temporarily de-railed, with attempts to get it back on track.
 3. This Bill is the only way to put the right people on the Board to make the changes necessary to affect tourism.

Austin Osborne:

- A lot of activity on Collective Bargaining Bills, including bills for:
 1. Paid tuition for children of all public employees, as well as Police and Fire officers killed in line of duty;
 2. Mistake miscalculation of overtime;
 3. Making employee orientation “subject to bargaining”;
 4. Employer paying employees “out of network” doctor;
- SB297 regarding PERS - employees hired after 2018 may have choice to be in a 401K type plan.
- AB277 Land Use Bill - zoning cannot be changed in any County to increase density within five miles of conservation or recreation areas. More of a concern in Clark County.
- Numerous water bills, focused on critical management areas in Nevada. There are no critical management areas in Storey County. However, there is the possibility that the Highlands could become a critical management area. The engineers office could possibly come in and make changes to the amount of water being pumped, allow meters, or whatever.

Chairman McBride: This has been a very active legislative session. The County has testified on numerous bills, specifically on SB57. No one voted objecting to the bill. Apparently, the Railway Commission Board never authorized Ms. Duncan to send the letter to Senator Parks who was advised that Ms. Duncan did not have the blessing of the (Railway Commission) Board.

- AB153 - looks at the impacts of development in one area on surrounding communities, allowing jurisdictions to impose fees on another area or County to cover financial impact. Sixteen have testified in opposition, with only the author in favor.

- County lobbyists, Mary and John Walker - Walker & Associates, and Greg “Bum” Hess, are doing a fantastic job monitoring the Legislature and representing the County’s interests.

Vice Chairman McGuffey:

- AB143 - Property tax formula correction bill. This has been re-written so there will not be any tax hike. This will be allowed to correct itself. Once it hits 3%, this will become the base.
- SB302 - Marijuana bill. A replacement bill with a 15% tax rate - 5% going to counties who have marijuana establishments.
- SB345 - Tax abatement impact to counties. This would provide an impact study on what counties are losing. Similar to SB153, setting up more “red tape” and road blocks.

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

Vice Chairman McGuffey :

- Congratulations to local resident, Lacy J. Dalton, recently inducted into the North American Country Music Association “Hall of Fame”.
- The “Rocky Mountain Oyster Festival” - St. Patrick’s Day celebration was a great success. This year’s attendance was higher than ever.
- The ADS workshop had too many people attending - going different directions. Mr. McGuffey recommended setting up an advisory board with each County having a representative. This has to be done by March 27th with the next meeting set for April 3rd.

8. DISCUSSION/POSSIBLE ACTION : Accept bid submitted by Corrie Zam-Northan and A. Perry in the amount of \$11,000.00 to design and create a wall mural in the Courthouse Slammer & Museum along the upper west and north walls. Also, authorize the County Manager and District Attorney to execute a contract to facilitate this.

County Manager Whitten: This is a great museum committee. Lara Matther has done a phenomenal job along with others, including: Joe Curtis, Ron Gallagher, and Melanie Keener.

Lara Matther: Thanks also to Cherie Nevin. An update on the museum:

- A unique museum has been created that County citizens can be proud of.
- The museum is not complete - a good museum is never done.
- Most of the photo and text panels are up in the display cases.
- The next step will be reaching out to community members in hopes that they come to the museum, see the photos and text panels, and then perhaps donate items and artifacts from personal collections. Ms. Matther can be contacted through the Fourth Ward School website.

Artists Erika Perry and Corrie Zam-Northan presented drawings of a mural proposed for the Slammer Museum.

- The landscape mural will go above the exhibit boxes along the south and west walls. The mural will complement the exhibits.
- The mural should take five months to complete, with most of the work being done “after hours”so as not to impact employees or visitors.

Mr. Whitten discussed procedural items:

- A proposed contract has been prepared by the District Attorney’s Office:
 1. Section 3, Industrial Insurance (Workers Comp Insurance): This section is being worked out. The County should be able to cover this. The mural project would cost much more with anyone else. The County’s Workers Comp carrier has indicated there is a waiver process that Ms. Perry and Ms. Zam-Northan are willing to go through.

2. The mural at the Bucket parking lot was done by these artists and is a display of the quality of their work.

Public Comment:
None

Chairman McBride: Per legal counsel, discloses that Corrie Zam-Northan works occasionally for Chair McBride in the private sector.

Motion: I, Commissioner McGuffey, move to approve the bid in the amount of \$11,000 tendered by Corrie Zam-Northan and Arika Perry to create a mural painting in the Courthouse Slammer & Museum and authorize the County Manager and District Attorney to execute a contract to facilitate this,
Action: Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Commissioner Gilman,
Vote: Motion carried by unanimous vote, **(Summary:** Yes=3)

9. DISCUSSION/POSSIBLE ACTION: Application for refund of property taxes in the amount of \$19,189.58, requested by Stormo Investments LLC. Supporting documents can be found at: <http://storeycounty.org/AgendaCenter/ViewFile/Agenda/03212017-694>

Deputy District Attorney Keith Loomis presented this item. This application is brought forward pursuant to NRS 354.220 providing, in the opinion of the Board of County Commissioners (BOC), the Board is authorized to make a refund if the applicant for the refund has just cause making the application and granting of the refund would be applicable. Decision of the Board must be unanimous and the request can go back three years.

- Applicants made application to the Board of Equalization for the current year - a request for reduction in the value of the building in TRI determined by the assessor.
- This request is for the two previous years - a refund of the value of the building.
- Per the Attorney General, only certain types of request for refund can be submitted to the BOC. A request regarding assessment made by the assessor must go to the Board of Equalization. Requests based on mistake can come before the BOC.
- The County Assessor applies Marshall & Swift standing to determine value of a building - as was done in this case.
- Soon after, it became apparent there were defects in the building not taken into account by the Assessor's Office.
- It is Mr. Loomis' opinion that this can be brought to the Board.
- Three appraisals and two repair cost itemizations are provided.
- One appraisal states the costs of repair to the building would exceed the cost to replace - the building was appraised at \$0.
- A second assessed the value of land and building at approximately \$1.8 million. The cost of repairs provided by the Stormo's was approximately \$1.6 million, leaving approximately \$193,000 value for land and building. Subtracting the value of the land, left a building value of approximately \$65,000.
- This matter is the subject of litigation between Stormo Investments LLC, and the building contractor, Dennis Banks Construction.
- The third appraisal by Coldwell-Banker, states the contractor advised that the building has no defects. The appraiser assumed the building had been properly constructed in accordance with code - coming up with an appraised value of \$1.5 million.
- In the litigation, Dennis Banks Construction submitted costs of repairs to be around \$550,000.
- The question to the Board is whether or not the Stormo's should be entitled to refund of taxes paid for the building, or a portion thereof.

Chair McBride: The \$19,189 was paid on the building and improvements, not the land?

Mr. Loomis: The Assessor can confirm this.

Assessor Jana Seddon: That is correct.

Vice Chair McGuffey: Is the building usable or not?

Mr. Loomis: It is subject to a Certificate of Occupancy - but does not know whether it is usable or not. This is disputed between the parties and is in litigation.

A letter from Dennis Banks Construction's attorney, states Dennis Banks Construction (DBC) will pay \$1.5 for the building. The Stormo's state this is an offer of settlement not purchase. The attorney said it is an offer for purchase but does not know what impact it would have on the litigation.

Mr. Loomis feels this is very ambiguous.

Georgette Stormo: There are unusual circumstances in this matter . Ms. Stormo reviewed the CBRE appraisal prepared by DBC's counsel for mediation purposes. The Stormo's appraisers disagree with the CBRE valuation. Ms. Stormo discussed offers from Mr. Banks, and reviewed documents including expert opinions - which are in the packet - validating the Stormo's concerns. Discrepancies from plan and substandard workmanship issues are discussed by all three experts, with all stating there are major problems.

Ms. Stormo reviewed issues and problems in construction of the building:

- The discrepancy from plan constituted a dangerous condition and detailed the steps to correct this condition.
- DBC's engineer could not refute the serious nature of structural deficiency and stipulated and agreed to the extent and cost of repair.
- Due to negligent construction by DBC, the building has been designated unsafe by several engineers and should not, cannot, be occupied until remedial measures are completed.
- Structural integrity is necessary for habitability and safety incorporated by nature and intent in the Certificate of Occupancy.
- Structural deficiencies are inherent in the building and not caused by lack of maintenance, normal wear and tear, or age.
- Had the structural deficiencies been known to Storey County, Ms. Stormo believes the Certificate of Occupancy would not have been issued and the building would not have been placed on the 2015 tax roll.
- Stormo Investments is requesting relief from property taxes on a building that cannot be leased or sold until repairs are made and the building is certified by a structural engineer.
- The Board is requested to approve a refund of property tax.

Vice Chair McGuffey: Are you claiming structural defaults or was the building damaged after being built? When was this building built?

Ed Stormo: It was construction defects.

Mr. Stormo reviewed defects - failing walls, water intrusion, and more.

Georgette Stormo: Construction began January 2015 with completion and the Certificate of Occupancy in May 2015.

Chair McBride: Are you going to tear the building down?

Mr. Stormo: Up until now, no one has said what should be done.

Mrs. Stormo: It may have to be demolished.

Chair McBride: It's going to cost between \$500,000 and \$1.5 million to repair this building? There are a lot of moving parts. Did Banks Construction offer to purchase the building?

Mr. Stormo: Banks' attorney sent "a deal" stating Banks was willing to purchase for \$1.5 million. What that includes is unknown - such as claims from sub-contractors. The Contractor's Board was moving ahead until Dennis Banks said it had to go to litigation.

Commissioner Gilman: Your contract included an element for arbitration so the Contractor's Board stepped aside and mediation started. Where is the mediation today?

Mr. Stormo: There is a court-ordered hearing on April 7th and all of the insurance companies must attend.

Commissioner Gilman: The building has not been occupied to date?

Ms. Stormo: No, it can't be.

Chair McBride: Has the building been red-tagged?

Mr. Stormo: No, who would red-tag it?

Chair McBride: County inspectors.

Ms. Stormo: Madsen-Knepper are structural engineers. The costs of repairs (given to the Commissioners) have been prepared by structural engineers. Dennis Banks' structural engineer agrees this is a dangerous situation.

Commissioner Gilman, addressing Mr. Loomis: It seems the subject of this item is not to evaluate the building - its structure or usability - but to determine if this building is not able to be occupied will the County rebate a certain amount of the taxes during the time negotiations are taking place.

Mr. Loomis: The Stormo's are asking for a refund of property taxes paid on the building for 2015 and 2016.

Commissioner Gilman: It is not up to the Commission to find default. It is whether the County is comfortable in rebating \$19,000 in taxes on a building that may or may not be occupied. Does Mr. Haymore have any comments regarding this?

Dean Haymore, Community Development Director: This building was built under a CMU with licensed contractor and a third party, licensed inspection firm that did inspections as required by Community Development. The C of O was issued when all inspections were complete. Sometime later, the Stormo's advised Mr. Haymore of deficiencies and requested that the C of O be rescinded.

A list of deficiencies was provided - not all had been found at that time and litigation regarding the building was mentioned. Any time litigation is mentioned, it is directed to the District Attorney. Information presented today is more in depth than has previously been seen. The C of O has not been rescinded, and request to red-tag the building has not been received.

District Attorney Langer: The question is - are the Stormo's entitled to back-taxes not because of the litigation or arguments, but because this was not a habitable building that could be used during that time.

Mr. Loomis: Rather than being inhabitable, it's whether or not the building had value.

Ms. Langer: Right. This is what was being discussed at the Board of Equalization - whether the building had value. The value of the building in 2015 and 2016. The question of defects, still in litigation, is a different issue.

Mr. Loomis: The question before the Board is - did the building have no value due to structural problems in 2015 and 16 such that the Assessor's valuation was based on a mistake in the premise. If there was no value, the request for a refund is appropriate.

Commissioner Gilman: The building was built for what purpose?

Ms. Stormo: To lease. The building has no value.

Commissioner Gilman: The building cannot be leased with probable structural defects.

Chair McBride: Would a decision be premature when it is not known whether the property has value yet? If the building is demolished, there is zero value. If it can be repaired, then there is value to the property.

Mr. Loomis: A decision can be continued to see if this matter is settled, giving a clear idea as to the value of the building. Or a decision can be made today based on what is front of you.

Mr. Stormo: Even if it could be repaired, the building did not value for those two years.

Chair McBride, addressing Assessor Jana Seddon: At what point does the Stormo's building go under the tax role?

Ms. Seddon: There are differences between taxable for tax purposes and appraisal for sale.

- Generally, (property) goes on the tax role as it is built.
- The Assessor's office was not aware of any issues with this building until receipt of the Stormo's Board of Equalization appeal this year.
- Looking at the appraisals from our office and Mark Stafford's (outside appraiser for TRI property), this is an income producing property.
- When there is an appeal to the County Board and the State Board of Equalization on an income producing property - a cost approach is done to come up with the value of a building. That is what was done with this building believing it to be "to standards" and able to be occupied - making it an income producing property.
- This property is not making any income as it sits. There's value to the land, but no income.
- One of the appraisals received stated after repairs the value of building was \$65,000. This was "for sale". This is looking at everything - the esthetics, the landscaping. As tax appraisers, these items are not looked at.

- As tax appraisers, we look at what's left such as asphalt, anything that can be salvaged out of that building. We came up with an approximate \$45,000.
- In the Stormo's presentation at the Board of Equalization, it came out that even the asphalt is going to have to be removed. It (asphalt) is set at a grade where all of the water runs into the building.
- That was one of the reasons why the Board determined there was no value to the building.
- How taxes are assessed has to be looked at. At this point, this building is not producing income.
- That is one of the reasons Ms. Seddon believes the County Board (of Equalization) decided to decrease that building to \$1.00 on the tax roll - showing that it is not something the Assessor's missed but that there is an issue with that property.

Ms. Stormo: Packets have been prepared for the Board, including pictures showing what the Stormo's faced two days after the Certificate of Occupancy. It is this Certificate of Occupancy that puts the building on the tax role. This is all the C of O can be used for - the building cannot be occupied. What does the Certificate of Occupancy mean? Just to put the building on the tax role. It cannot mean the building can be occupied.

Commissioner Gilman: It appears this is a building that is not able to be occupied without retrofit. I don't think we (the Board) are in a position to decide whether 30%, 5%, or 90% is usable but believe the request is justified.

District Attorney Langer: This comes down to two different issues - the value versus the lawsuit in which the County is not involved. If the Board believes it can go forward based on evidence heard today - great. If more time is needed, the matter can be continued.

Public Comment:
None

County Manager Whitten: We should exclude the fact that the on-going litigation has not been heard by a mediator or arbitrator and let that take its course. Mr. Whitten - and Mr. Haymore can confirm - knows this building has never been occupied or used from an income-gathering basis, and we're talking \$19,000 spread over two years. Staff recommendation would be to approve.

Chairman McBride: Listening to testimony's of Ms. Seddon, Mr. Haymore, and the Stormo's presentation, I think we are all leaning in the same direction.

Vice Chairman McGuffey: This is for 2015 and 2016 taxes. Are the Stormo's going to come back and ask for 2017?

Chairman McBride: The Board of Equalization brought that down to \$1.00.

Assessor Jana Seddon: This is refund for 2015-2016, 2016-2017. 2017-2018 was taken care of at the Board of Equalization and the valuation has been corrected.

Ms. Langer: At the Board of Equalization, the Stormo's were advised that was not the proper venue for 2015 and 2016 years - this is the proper venue under the statutes cited by Mr. Loomis.

Motion: Approve application for refund of property taxes in the amount of \$19,189.58, as requested by Stormo Investments LLC, **Action:** Approve, **Moved by:** Commissioner Gilman, **Seconded by:** Vice Chairman Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

Chairman McBride called for recess at 11:55 AM
Meeting reconvened at 12:13 PM

10. RECESS TO CONVENE AS THE 474 FIRE DISTRICT BOARD

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

Fire Chief Appointee Jeff Nevin presented this item. This is a contract seen in previous years with some additions. The program has been changed to allow Storey County Fire to bill WFPP directly, in lieu of the federal partners, enabling payment right away rather than waiting months. Contract will be in effect July 1, 2017 to June 30, 2019. No cost increase in this contract.

Chairman McBride: This is a good program. The County has participated for several years. A small insurance policy for what the County gets in return.

Public Comment:
None

Motion: I, move to approve the renewal of the Interlocal Contract between the Storey County Fire Protection District and the State of Nevada, Department of Conservation and Natural Resources, Nevada Division of Forestry for the Wildland Fire Protection Program, and authorize the Chairman to sign, **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

12. DISCUSSION/POSSIBLE ACTION: Consent agreement and mutual release between Storey County Fire Protection District and James Hardie Building Products settling disputed fire code violations.

Deputy District Attorney Keith Loomis presented this item.

- Last summer James Hardie Building Products had a hazardous spill on Hardie property which went outside of the containment area and subsequently to a storm drain area.
- A hazardous material clean-up company was called in.
- This was not reported to Storey County Fire Protection District for about nine days.
- The failure to report resulted in citations being issued for each day not reported.
- Total fines imposed was approximately \$63,000.
- James Hardie filed an appeal of the decision of the Fire Marshal.
- Per County Ordinance, an appeal from this decision is to the State Fire Marshal.
- The interim State Fire Marshal was not clear as to whether to hear this item or not.
- A letter of explanation was requested and received from counsel for James Hardie.
- The Fire District met with the James Hardie representative at the building site. The Fire District concern was safety of building occupants.
- Corrections to the building were worked out between Hardie and the Fire District.
- A Consent Agreement and Mutual Release was entered into by the Fire District and Hardie.
- Under the Agreement, both parties consent to dismiss the appeal, release all claims, the Fire District will retract the citation, and Hardie will make the corrections.
- The fines will be dismissed.

Vice Chairman McGuffey: It seems that (Hardie) has had complaints before.

Fire Chief Gary Hames: There has been previous issues in this facility which have been worked through. There have been problems with the (Hardie) Environmental Health Safety (EHS) personnel recruitment and retention. There a good, recruited new position just filled very willing to work with the Fire District. Based on this, the Fire District was willing to waive the fines in lieu of putting safety into the structure. Hardie has done a very good job and jumped on safety issues. The Fire District is comfortable with this decision.

Public Comment:
None

Motion: I, move to approve the Consent Agreement and Mutual Release between the Storey County Fire Protection District and James Hardie Building Products and authorize the Fire Chief to sign,
Action: Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Commissioner Gilman,
Vote: Motion carried by unanimous vote, **(Summary:** Yes=3)

13. ADJOURN TO RECONVENE AS THE BOARD OF COMMISSIONERS

14. ADJOURN TO RECONVENE THE STOREY COUNTY BOARD OF COMMISSIONERS

15. DISCUSSION/POSSIBLE ACTION: Approval of Licensing Board Second Readings:

- A. **COBHAM WIRELESS** -Professional/15950 N Dallas Pkwy - Dallas, TX (consulting)
- B. **VISOTEC AMERICA** -Contractor/1955 Vaughn Road - Kennesaw, GA (equipment)
- C. **CAPITOL BUILDERS HARDWARE, INC.** -Contractor/4699 24th St - Sacramento (contractor)
- D. **TEKNO IC-DISC, INC.** -Contractor/2654 W. Horizon Ridge - Henderson NV (equipment)
- E. **NEDCON USA, INC.** -Contractor/10053 Simonson Rd - Harrison, OH (racking)
- F. **WEDCO, INC.** - General/450 Toano Street - Reno (distributor)
- G. **MATSUI MACHINE, LTD** -Contractor/4-10-11 Kawaguchi Osake-shi JAPAN (machinery)
- H. **MITSUBISHI CHEMICAL ENGINEERING CORP.** -Professional/2-2 Nihonbashi Tokyo Japan
- I. **ROBERT MCKINNEY-LISA MCKINNEY dba The Power Company** -Contactor/25 Brushland Court-Reno (electrical contractor)
- J. **MAAK CORPORATION** - Professional/401 Ryland - Reno (consultant)
- K. **TEAMTECHNIK CORPORATION** -Contractor/5155 Sugarloaf Pkwy - Lawrenceville, GA (equip)
- L. **NORTHERN ELECTRIC, INC.** -Contractor/12789 Emerson St - Thornton, CO (contractor)
- M. **SYSTEM7, INC.** -Professional/301-B North Detroit - West Liberty, OH (consultant)
- N. **PANASONIC INDUSTRIAL DEVICES ENGINEERING CO., LTD** -Professional/
800 Higashiyama Toyama, JAPAN (consultant)
- O. **TECH USA, LLC** - General/8334 Veterans Hwy - Millersville, MD (staffing)
- P. **SIERRA SCALES, LLC** - Home Business/237 Martin Lane - Dayton (home office only)
- Q. **EFFICIENT INDUSTRIAL INSTALLATION, LLC** -Contractor/3608 Esper-El Paso(equipment)
- R. **NEW EARTH CONCEPTS** -Professional/801 Belfair Ave - Orting, WA (Consultant)
- S. **MALEKO PERSONNEL** - General/32108 Alvarado Blvd - Union City, CA (staffing)
- T. **TEMARRY RECYCLING, INC.** - General/476 Tecate Rd - Tecate, CA (on-site recycling)

County Manager Pat Whitten, on behalf of Community Development, recommends approval of all items A. through T.

Public Comment:
None

Motion: Approve Items A. through T., **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

16. PUBLIC COMMENT (No Action)

None

17. ADJOURNMENT

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

18. CLOSED SESSION

Call to Order 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 Firefighters Association IAFF Local 4277 and Storey County Sheriff's Office Employees Association NAFSA Local 9110. This meeting will commence immediately following the regular commission meeting.

Respectfully submitted,

By: _____
Vanessa Stephens Clerk-Treasurer