



STOREY COUNTY BOARD OF COUNTY COMMISSIONERS MEETING

TUESDAY, JUNE 19, 2018 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, Comptroller Hugh Gallagher, Deputy District Attorney Keith Loomis, Administrative Officer/Planning Director Austin Osborne, Sheriff Gerald Antinoro, Chief Deputy Tony Dosen, Public Works Director Jason Weizrbicki, Community Relations Cherie Nevin, Project Coordinator Mike Northan, Battalion Chief Ron Adkins, Tourism Director Deny Dotson, Senior Center Director Stacey Gilbert, Outside Counsel Robert Morris, Wastewater Project Coordinator Mike Nevin, Fire Marshal Martin Azevedo

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 June 19, 2018.

County Manager Whitten asked to remove Item #15.

Public Comment:
None

Motion: Approve Agenda for June 19, 2018, **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

4. DISCUSSION/POSSIBLE ACTION: Approval of the Minutes for February 6, 2018.

Public Comment:
None

Motion: Approve Minutes for February 6, 2018, **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

5. DISCUSSION/POSSIBLE ACTION: Approval of the Minutes for May 15, 2018.

Public Comment:

None

Motion: Approve Minutes for May 15, 2018, **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

6. DISCUSSION/POSSIBLE ACTION: Approval of the Minutes for May 21, 2018.

Public Comment:

None

Motion: Approve Minutes for May 21, 2018, **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

7. CONSENT AGENDA:

- I For possible action, approval of update to Storey County Administrative Policies and Procedures including 032 Records Management; 004 Travel; 035 Grant Approval; and 036 Grant Administration.
- II For possible action, Approval of payroll claims in the amount of \$497,623.87 and accounts payable claims in the amount of \$922,993.52.
- III For possible action, approval of first reading business license (submitted by the Sheriff's Office):
 - A. U.S. Security Associates, Security Guard Service Provider, General Business License, out of county 1320 Freeport Blvs., Sparks, NV 89431
 - B. Bonanza Saloon, Vincent Malfitano, General Business License, 27 N C St. Virginia City, NV 89440
 - C. Delta Saloon, Vincent Malfitano, General Business License, 18 S C St. Virginia City, NV 89440
- IV For possible action, approval of business license first readings:
 - A. ADVANCED SYSTEMS LCL - General / 1020 W. 14 Mile Rd ~ Clawson, MI
 - B. AMERICAN POWER SOLUTIONS, LLC - General / 2995 Mill St ~ Reno, NV
 - C. KEN MORGAN - Contractor / 325 Neilson Rd ~ Reno, NV
 - D. MARIO LEPROVOST - Contractor / 1946 Wilder St ~ Reno, NV
 - E. PARLEVEL SYSTEMS INC - General / 114 E. Cevallos St ~ San Antonio, TX
 - F. VINEBURG MACHINING - General / 26 Stokes Dr ~ Carson City, NV
 - G. BENCH TEK SOLUTIONS, LLC - General / 525 Aldo Ave ~ Santa Clara, CA

Public Comment:

None

Motion: I make a motion to approve today's Consent Agenda, **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

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

Sheriff Antinoro :

- Reported that "active assailant training" was held last week at TRI along with several area businesses and their security.

Project Coordinator Mike Northan:

- Carpet has been cleaned and stretched in the District Attorney's office.
- Plaster and painting are scheduled for the Judge's Chambers, with touch up in the Clerk's Office.
- Restoration work continues on the windows at Pipers Opera House.
- Approximately 12 County employees took the OSHA 30 class and now have a 30 hour OSHA certification. A new safety culture will be seen in Virginia City and Storey County.

Merilee Miller, River District:

- The Community Center was given new computers which have been installed.

John Miller, Louise Peri Park:

- Thank you to all Commissioners, staff, and to Lance Gilman for the generous donation towards the playground equipment. Also to Public Works.
- The park is looking beautiful. Five donated trees will be planted soon.
- The Community Garden has been cleaned up and Public Works fixed the water systems.
- The basketball court could use a good cleaning.

County Manager Whitten said he would look into the issue of the trash bin that no one knows where it came from. Also, the issue of signs along Peri Ranch Road is being looked at. This road is definitely needed by the County as a secondary road for ingress and egress to the area.

Battalion Chief Ron Adkins :

- It is fire season - crews have been out on both local fires.
- Weeding around Virginia City will soon take place. The fires have taken precedence.
- During the chili cook-off run, an individual suffered a life threatening issue. This person will make a full recovery. It only took 4 minutes from the receipt of the call for the Fire Department to arrive on the scene - despite all of the people in town and the blockades that were set up.
- Statistics for the year to date - a total of 1,005 calls and Wednesday's are the busiest days.

Vice Chairman McGuffey recommended that a first aid/first response stand be set up during events.

Chief Adkins responded that this is done during events such as the Grand Prix and Street Vibrations. The chili cookoff is not expected to be as busy as those events. This year several streets were affected by the sewer work.

Commissioner Gilman asked what percentage is EMT vs fire calls. Adkins reported last month there were 9 fires and 164 EMS calls.

Chairman McBride commented regarding the call during the chili cookoff that loading equipment and getting there in four minutes is pretty good timing. It was good news having a "save" like that.

VCTC Director Deny Dotson:

- Agreed with Battalion Chief Adkins' comments regarding the incident at the chili cook-off. Hats off to the Fire Department for saving the man's life - it was an amazing response. The family thanked everyone very much. Issues of this type and safety plans are discussed beforehand - barricades are opened up, people are moved, in order to get help in and out.
- July 4th events and fireworks donations are running short about \$10,000 with two weeks to go.
- Whitney is doing a great job coordinating at Pipers Opera House. The calendar is almost full.
- Soon the Slammer Museum will be open for people to visit on weekends in conjunction with tours at Pipers.
- The V & T is doing great already - the train was up and running for Father's Day.

Commissioner Gilman said he will pledge \$5,000 towards the fireworks.

Community Relations Director Cherie Nevin:

- After many meetings, federal highway funding for work on 6 Mile Canyon is proving to have too many roadblocks and "red tape" for the cost benefit and Ms. Nevin, along with County Manager Whitten and others, is recommending not moving forward with this source of funding.
- Areas of concern on this road are marked and may be able to be improved or completed by the County's own personnel.

Mr. Whitten commented that timing is everything. NDOT has been a consistent friend and a huge help in support of this project, however Federal Highways has too many strings.

Community Chest /Library Director Erik Schoen:

- The Youth Program, pre-K through middle school, is in full swing for the summer.
- The library is currently open Monday through Friday, 10 AM to 2 PM. Looking for Federal and State funding. From the library the children's programs can be seen below.
- A medical clinic is open and being utilized on Wednesdays for primary health care services.

Wastewater System Project Manager Mike Nevin - Update on projects:

Sewer project:

- Mr. Nevin reviewed a current map of completed areas.
- The project is 37 weeks in, with 150 days left to completion. 34,000+ linear feet of pipe has been installed with 315 service connections completed.
- Currently work is being done on Mill Street from D to R. Mill Street will be open for the 4th of July.
- The bottom of I Street is being worked on through the Fairgrounds, up to 341 and to the jail parking lot. Drainage issues that have been ongoing for years are being addressed.

5 mile transmission line project:

- Out to bid with bid opening June 28th. The biggest concern will be the closing of Ophir Grade road for a time.

Gold Hill septic project:

- NDEP requires a modeling analysis regarding any discharge into the Carson River basin. An internal draft regarding the flow is being prepared and then a plan will be developed. The process is moving along.

Senior Center Director Stacey Gilbert:

- The Senior Center will be closed June 28 and 29 for parking lot paving.
- A strategic plan is being reviewed to be presented next year.
- A \$10,000 transportation program grant was received. They are looking for a new employee.

Public Works Director Jason Weizrbicki:

- A lot of prep work and drainage issues are being addressed at the Senior Center as well as in an area of the parking lot in Mark Twain. The parking area for the Highlands mailbox area is still on the “to do” list.
- The OSHA 30 class was a real eye-opener and brought in a lot of resources.
- Spray painting equipment for the curbing has been received and makes a lot of difference.

Administrative Officer/Planning Director Austin Osborne :

- The next planning commission meeting is June 21 and will be addressing the sign ordinance.
- Met with AT&T regarding installation of a cell tower on the south end of town and we are looking for a site.
- Working on the mono pine in the Highlands, which should go live late summer to mid- October.
- Focus is being given to transportation issues in the area. We are looking at reinstating the RTC Commission and doing regional transportation studies. There are many benefits to doing this.
- Working on policy updates with the District Attorney’s Office.
- The Lands Bill is moving forward and has been attached to a National Defense Bill.

Deputy District Attorney Keith Loomis:

- The Federal District Court issued a final ruling on the Sutro Springs roadway case, upholding the decision that it is an RS2477 road. No appeal has been filed.
- M&M, LLC lawsuit has been decided by the Supreme Court, upholding the BOCC decision denying their permit. This is also a final decision.
- Gave an update on the lawsuit filed by International Investments against Vanessa Stephens as Clerk/Treasurer-Tax Collector seeking quiet title to the Peri Ranch and Old Bridge Ranch properties as one unit. There are past due taxes related to the property and an answer has been filed in response on behalf of the Clerk/Treasurer.

County Manager Pat Whitten:

- Reminder - the July 17th Commission meeting is cancelled. The next two meetings will be July 3, and August 7.
- The effluent pipeline project is alive - proceeding very slowly. A deposit has been given allowing the County to engage financial advisors, bond counsel, engineer, and appraiser.
- OSHA 30 class was completed, heard great things about the class. Information from the class will be transferred over to the safety committee. We look forward to a safety-conscious future.
- Met with the folks at NDOW and the County will be getting the great-horned owl that was born at the Courthouse, and passed away, preserved and put on display in the slammer.
- Under correspondence on today’s agenda, there is a communication from Mr. Whitten clarifying the decision and explaining the facts regarding cancellation of the Ferrari Hill Climb event this year. We’re not saying no to future events but there would have to be work and hopefully a new organizer.

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

Commissioner Gilman: Gave a brief overview of the Opportunity Zones. Based on census track information, Opportunity Zones are being allowed in each state. Nevada was approved potentially for 270. The Governor had the opportunity to name 60. Opportunity Zones attract a lot of stranded capital for investment under special circumstances. Rules and regulations are still being created. Companies like Block Chains, in Storey County, are in a position to attract billions of dollars in “stranded investment capital” in crypto- currency. Storey County was initially overlooked and Lyon County received a significant share. A team worked with the counties and Federal Government so that Storey County could have an Opportunity Zone. With the approval of both counties, Governor

Sandavol submitted a request to the Treasury to re-consider Storey County for an Opportunity Zone. This was granted and is a tremendous opportunity to attract a lot of capital to the County's economic program.

Chairman McBride:

- The County is in the midst of "tourist season" with two events since the last Commission meeting. The town has been unseasonably busy.
- Since being turned over to the Tourism Commission, tourism has exploded - the "bread and butter" for the business district. Congratulations to the VCTC and Deny Dotson for all the hard work.

10. DISCUSSION/POSSIBLE ACTION: Acceptance of renewal proposal from Nevada Public Agency Insurance Pool (POOL) and approval for payment from fiscal year 2018-2019 funds.

Carol Ingalls, POOL/PACT representative, explained this year there is a 6.4% increase for the County. Total insured property values increased by 14.3%, payroll increased almost 12%, with a slight increase in employees and vehicles. The County, the landmarks, are well covered.

Allan Kalt, Chief Financial Officer for POOL/PACT provided an overview of the services and benefits offered by POOL/PACT.

County Manager Whitten thanked Mr. Kalt and Ms. Ingalls. Mr. Whitten addressed cyber security and the recent cyber security audit. There were no "smoking guns" - the County IT Director has been doing a great job. There are always things that can be done to tighten security.

Mr. Whitten also thanked ASC, the County's third party administrator picked by the POOL to handle claims and settlement.

Mr. Whitten explained why the County chose a \$5,000 deductible for several years, and how it paid off with all of the damage suffered by the County in last year's storms.

Mr. Kalt explained the cyber security audit and how the POOL interacts with the County IT Department. The POOL invested \$30-50,000 to do this audit and increased cyber coverage to \$3 million without a cost allocation to the membership.

Ms. Ingalls mentioned the fact that as a member of A & H Insurance they are doing their best to make sure that the County receives consistent service and response to problems. They are proud and determined to be part of the (POOL/PACT) program.

Public Comment:

None

Vice Chairman McGuffey disclosed his wife is an employee of A & H Insurance and does not receive any incentive or monetary gain related to this renewal.

Motion: I make a motion to accept the renewal proposal from Nevada Public Agency Insurance Pool (POOL) and approve payment from fiscal year 2018-2019 funds, **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

11. DISCUSSION/POSSIBLE ACTION: Authorize the County Manager to approve a contract with the United States Geological Survey (USGS) up to \$30,000 for the voluntary and limited monitoring of

groundwater levels and quality, aquifer conditions, and other geotechnical matters in the Virginia City Highlands, Highland Ranches, and Virginia Ranches area of Storey County during the 2018-19 fiscal year. This is a continuation of the prior year contract for this purpose.

David Smith, USGS hydrologist gave a summary of issues discovered over the past year:

- A couple of wells had substantial declines in groundwater levels;
- 30% of wells in one section were deepened or replaced;
- A concern is the Highlands is only 1/3 developed.

Details have been discussed with Austin Osborne and a project has been put together:

- To understand the problem and what is going; and
- Identify where the groundwater levels are declining.

Mr. Smith reviewed accomplishments:

- Develop groundwater network to evaluate water level trends;
- Identify the declines;
- Develop a water table map and a water table change map in order to report where declines are happening;
- Characterize the fractured rock aquifer system;
- Estimate recharge potential from Lousetown creek.

Approximately 62 homes were evaluated for the network - 55 are in the network. 40 wells in one acre parcels, 14 in ten acre, and 1 in the forty acre parcels. Instruments have been added that continuously monitor trends.

Mr. Smith explained what is being monitored and reviewed some conclusions being seen, including:

- The one acre parcels are declining the most;
- Ten acre parcels had a slightly less decline;
- No change in the 40 acre parcel;
- It has been confirmed that Lousetown Creek is a losing stream providing recharge to the aquifer system.

Mr. Smith said the project is 20% complete. There are very highly varied water levels throughout the Highlands - an additional year of data will help in understanding the aquifer system. All data collected is available on-line on the USGS website and on the Storey County website. Year two will include continued monitoring of groundwater levels, precipitation, Lousetown Creek flow, and will quantify losses to the system, and to develop a water table map and level change map.

Vice Chair McGuffey thanked Mr. Smith for bringing the information to the Highlands. This is a well-worth it project to monitor and see what the future might bare.

Chairman McBride asked if they will be increasing the houses that are monitored.

David explained there is a pretty good distribution of volunteers. In areas they are missing data they definitely add people. Water quality and levels vary throughout the Highlands.

Public Comment:

Nicole Barde, Storey County resident: Thank you to the commission for engaging in this study. Money well spent, the effort is appreciated.

County Manager Whitten thanked the USGS for this work.

Motion: Based on the recommendation by staff, I, County Commissioner Jack McGuffey, authorize the County Manager to approve a contract with the United States Geological Survey (USGS) up to \$30,000 for the voluntary and limited monitoring of groundwater levels and quality, aquifer conditions, and other geotechnical matters in the Virginia City Highlands, Highland Ranches, and Virginia Ranches area of Storey County during the 2018-19 fiscal year, **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

12. DISCUSSION/POSSIBLE ACTION: Request from NDOT to accept the annual work program.

NDOT Deputy Director Bill Hoffman introduced Murph Glover from NDOT, and gave an overview of NDOT and current projects. This report included:

- Statistics on wildlife collisions and what is being done to minimize them.
- The “One Nevada Plan” - long-term plan for infrastructure, rail, and planning from a performance measure standpoint.
- Interstate 11 - an important interstate with a long, involved process to be completed.
- Status of Electric Avenue traffic signal currently under construction and use of temporary signals. Permanent signal to be installed this summer;
- Safety concerns at I-80/Lockwood interchange and also at the “spaghetti bowl” in Reno;
- How to get more I-80 lanes out to TRIC. All interchanges along this route will be looked at - they may need to be changed depending on any widening;
- Statistics for Storey County - based on 2010 data; including commuting patterns, maintenance funds spent on County roads;
- Funding from the State and Federal Government and what it covers;
- The steps and issues in planning of projects.

Mr. Hoffman reviewed the annual work program for Storey County:

- Remove and replace barrier rail on SR 439 (USA Parkway)

Richard Ochavalt, NDOT District 2 Traffic Engineering Supervisor, explained a decision had been made to put in a cable barrier guardrail. It will be replaced with a concrete barrier rail for increased safety and less maintenance.

Mr. Hoffman commented regarding I-80 that there is a five county transit study being done, NDOT is doing a transportation feasibility study all to bring forward a strategic plan.

Mr. Whitten thanked Mr. Hoffman for taking leadership regarding regional transportation - working with the County, RTC, Fernley and others. Mr. Hoffman met with Mr. Whitten within a short time of last year’s meeting regarding issues that were brought up at that time. Important items are still there and are being worked. Removal of NDOT storm drains affecting the County’s sewer plant was done. However the situation with the Seymour property at the north end of C Street still needs to be addressed. Mr. Whitten said the County has a great partnership with NDOT.

Mr. Hoffman said he is willing to work with the County on these issues and commended the County for the work being done on transportation issues. NDOT will continue to work with the County on the issues in Six Mile Canyon.

Public Comment:

Kris Thompson, project manager for TRI : Echoed Mr. Whitten's comments. NDOT has been superb to work with especially with the growth and explosion of traffic in TRI. NDOT's efforts are appreciated - they are truly focused on strategy and planning for the future.

Motion: I make a motion to accept NDOT's annual work program, **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

13. DISCUSSION/POSSIBLE ACTION: Resolution 18-497 per the request by the Director of the State of Nevada Department of Business and Industry that the County transfer the amount of \$215,227.18 in tax-exempt private activity bond volume cap allocated to the County for year 2018 for the purpose of assisting in the financing or refinancing of a portion of the costs of (i) improvements to and equipping of a facility to be used for converting municipal solid waste into renewable fuel products located on an approximately 19.4 acre site located at 3600 Peru Drive in the Tahoe-Reno Industrial Center, Storey County, Nevada and/or (ii) improvements to and equipping of a facility used for preliminary sorting and processing of municipal solid waste located on an approximately 10 acre site located at 350 Saddle Court in Mustang, Storey County, Nevada. The County may transfer such tax-exempt private activity bond volume cap to the Director of the State of Nevada Department of Business and Industry pursuant to Section 348A.180 of the NAC.

County Manager Whitten explained the Nevada Department of Business and Industry are in discussions with Fulcrum Biorefinery for financing another component (green energy municipal solid waste project). For several years, the County has been requested to transfer its bond cap to other authorities. The bond cap is something the County does not use and most jurisdictions are able to transfer without any obligation on the transferring agency (the County). Fulcrum is requesting a total of \$45 million in support - the County's cap is \$215,227.18 which would be symbolic in support.

Mr. Whitten stresses there is no obligation to the County. There is no intended use for 2018 and the transfer is consistent with past Board actions including support of Fulcrum and the Department of Business and Industry in its support of Fulcrum. Staff recommends approval.

Mr. Whitten read the Resolution Title: Resolution 18-497, a Resolution of the Board of County Commissioners of the County of Storey, Nevada providing for the transfer of the County's 2018 Private Activity Bond Volume Cap to the Director of the State of Nevada, Department of Business and Industry, of the State of Nevada.

Public Comment:
None

Motion: I make a motion for approval of Resolution 18-497 providing for the transfer of the County's 2018 Private Activity Bond Volume Cap to the Director of the State of Nevada Department of Business and Industry of the State of Nevada, **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

14. DISCUSSION/POSSIBLE ACTION: Review and possibly appoint Joe Curtis, Candace Wheeler, Cherie Nevin, Sierra Scott and Marshall McBride to sit on the nonprofit board for Pipers Opera House.

Katie Demuth, Virginia City Tourism Commission/Pipers Opera House representative presented this item. After purchase of Pipers Opera House, the County assumed management in January. There

was a non-profit Board at that time, and it has been determined the Board needs to be retained. A list of proposed members was created over the last few months - Marshall McBride, Joe Curtis, Candace Wheeler, Cherie Nevin, and Sierra Scott.

Chairman McBride asked if Comptroller Gallagher had provided assistance in getting the non-profit status "squared away".

Mr. Gallagher said there have been many conversations about it. This is a great step in the right direction - with the non-profit Board there is an opportunity to search for assistance from groups like the Harris and Pennington Foundations.

Vice Chairman McGuffey heard information at a NACO meeting regarding grants and suggested looking at "billed grant"- the smaller the entity the less likely there will have to be a match, or at least, very little.

Public Comment:
None

Motion: I make a motion to approve the appointment of Joe Curtis, Candace Wheeler, Cherie Nevin, Sierra Scott and Marshall McBride to sit on the nonprofit board for Pipers Opera House, **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

15. DISCUSSION/POSSIBLE ACTION: Appointment of Tom Minkler to serve on the Canyon General Improvement District to fill the unexpired term left vacant by the passing of Ralph Trotter.

Item removed, no action taken.

16. DISCUSSION/POSSIBLE ACTION: Canvass of the Primary Election results held in and for Storey County, Nevada on June 12, 2018.

Chairman McBride asked if there was any public comment regarding this item - the canvass of the primary election results.

None

Motion: I make a motion to approve the results as submitted, **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

Chairman McBride called for recess at 12:18 PM
Meeting reconvened at 12:31 PM

17. RECESS TO CONVENE AS THE 474 FIRE PROTECTION DISTRICT BOARD

18. DISCUSSION/POSSIBLE ACTION: Resolution 18-490 Transfer of funds from the 474 Fire District to the Storey County Community Development Department in the amount of \$195,000.

Mr. Gallagher gave an overview of the requirements set forth by the Department of Taxation regarding transfers, augmentations, and appropriations. With over 5,000 line items, all department heads have done a very good job of maintaining the line item budgeting.

Mr. Gallagher requested approval of transfer of \$195,000 from 474 Fire District to Community Development Department. Previously the Fire Department had its own building permit/fire marshal - which has been transferred to Community Development. This is a transfer of those funds (for two building inspectors and a fire marshal) to Community Development.

Public Comment:

None

Motion: I make a motion to approve Resolution 18-490 Transfer of funds from the 474 Fire District to the Storey County Community Development Department in the amount of \$195,000,

Action: Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Commissioner Gilman,

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

19. DISCUSSION/POSSIBLE ACTION: Resolution 18-496 Augment 474 Fire District Mutual Aide in the amount of \$405,000.

Mr. Gallagher explained that he was in error in not budgeting for a special revenue fund. In order to equal appropriations, this augmentation (funds received from out-of-district deployments) is necessary.

No public comment.

Motion: I make a motion to approve Resolution 18-496 Augment 474 Fire District Mutual Aide in the amount of \$405,000 pursuant to NRS 354.598005, **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

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

21. DISCUSSION/POSSIBLE ACTION: Approval of resolution 18-491, transfer of funds from the Storey County Contingency Fund to the Piper's Opera House Fund in the amount of \$67,000.

Mr. Gallagher: In prior years a stipend had been given to Pipers - when the County took over there wasn't a budget. This transfer will prevent over-appropriation and give time to look at this budget.

Chairman McBride: We help all of our non-profits, County-wide.

Mr. Whitten said the events being booked at the Opera House will be bringing in revenue.

Public Comment:

None

Motion: I make a motion to approve Resolution 18-491, transfer of funds from the Storey County Contingency Fund to Piper's Opera House Fund in the amount of \$67,000, **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

22. DISCUSSION/POSSIBLE ACTION: Resolution 18-492 Augment Storey County General Fund and transfer to Storey County Capital Projects Fund in the amount of \$2,000,000.

Mr. Gallagher explained this transfer is due to projects that are over \$1 million at this time. In order to continue funding capital projects, this transfer is requested. Funds will be used for Tyler and also Devnet, the new computer infrastructure which should be in operation this time next year.

Public Comment:

Nicole Barde : Asked if these items were already in the budget or are they being added?

Mr. Gallagher stated the items were in the Capital Project Fund.

Motion: I make a motion to approve Resolution 18-492, which augments Storey County General Fund and transfer to Storey County Capital Projects Fund in the amount of \$2,000,000 pursuant to NRS 354.598005, **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

23. DISCUSSION/POSSIBLE ACTION: Approval of transfers of appropriation within General Fund Departments and Special Revenue Funds pursuant to NRS 354.598005 in the amount of \$633,400.

Mr. Gallagher noted these transfers:

- \$337,000 from contingency to Community Development. This is in addition to the amount coming from the 474 Fire District, and covers items and expenditures taken on since last August;
- \$208,000 to sewer;
- \$67,000 to Pipers Opera House.

Mr. Gallagher reviewed transfer between objects in various departments. Transfers are allowed between objects.

Public Comment:

Sam Toll, Gold Hill resident : Asked if any of the PERS transfers are related to anything other than normal benefits? Also are any of the payments regarding adverse employee issues?

Mr. Gallagher: These (transfers) are pretty much relative to the extra pay period for the year. Also, there were two new collective bargaining agreements this year - those contracts reflect PERS increases.

Mr. Toll: No early retirement bonuses?

Mr. Gallagher: No.

Mr. Toll asked Mr. Gallagher to elaborate about an adverse, labor relations line item that was mentioned.

Mr. Gallagher responded that he can't as he cannot give the name.

Mr. Toll commented that previously when the Sheriff's office was involved the names were broadcast. Mr. Whitten asked Mr. Toll (is he is referring to) the Public Works item?

Mr. Toll: That's the account it came out of - yes.

Mr. Whitten: The Commission previously publicly approved a settlement offer when changing Public Works Directors. This was that settlement.

Vice Chairman McGuffey noted the agenda item states the amount as \$633,400. Is this correct?

Mr. Gallagher: It should be \$640,000.

Motion: I make a motion to approve transfers of appropriation within General Fund Departments and Special Revenue Funds pursuant to NRS 354.598005 in the amount of \$640,500 , **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

24. DISCUSSION/POSSIBLE ACTION: Resolution 18-493 Augmentation of the Storey County Justice Court Fund in the amount of \$7,000.

Mr. Gallagher: There was a \$7,000 appropriation for Court View user fees, and \$14,000 in higher-than-anticipated revenue - \$7,000 of which will be used to augment the Justice Court fund.

Public Comment:
None

Motion: I make a motion to approve Resolution 18-493 Augmentation of the Storey County Justice Court Fund pursuant to NRS 354.598005 in the amount of \$7,000, **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

25. DISCUSSION/POSSIBLE ACTION: Resolution 18-494 Augmentation of the Storey County Indigent Fund in the amount of \$5,500.

Mr. Gallagher: The Indigent Fund is funded by ad valorem. Total resources budgeted were \$72,621; total available resources are \$81,621. Therefore, the budget needs to be augmented \$5,500.

No public comment.

Motion: I make a motion to approve Resolution 18-494 Augmentation of the Storey County Indigent Fund pursuant to NRS 354.598005 in the amount of \$5,500, **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

26. DISCUSSION/POSSIBLE ACTION: Acceptance of a transfer of funds from the 474 Fire District to the Storey County Development Department and distributions as recommended in the amount of \$195,000.

Mr. Gallagher: This is the distribution of \$195,000 from the 474 Fire District to Community Development/Storey County General Fund.

No public comment.

Motion: I make a motion for acceptance of funds transferred from the 474 Fire District in the amount of \$195,000 to the Storey County Community Development Department and the Comptroller's

recommendations on distribution of funds pursuant to NRS 354.598005, **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

27. DISCUSSION/POSSIBLE ACTION: Acceptance of a transfer of funds from the Storey County Contingency Fund to the Virginia Divide Sewer in the amount of \$208,500.

Mr. Gallagher noted this is a transfer of salaries, benefits, and capital outlay to the Virginia Divide sewer mainly due to the Gold Hill septic system.

No public comment.

Motion: I make a motion to approve Resolution 18-495 which transfers funds from the Storey County Contingency Fund to the Virginia Divide Sewer in the amount of \$208,500 pursuant to NRS354.598005, **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

28. RECESS TO CONVENE AS THE STOREY COUNTY WATER AND SEWER BOARD

29. DISCUSSION/POSSIBLE ACTION: Acceptance of a transfer of funds from the Storey County Contingency Fund to the Virginia Divide Sewer and distributions as recommended in the amount of \$208,500.

Mr. Gallagher: This is acceptance of the transfer from the Contingency Fund to the Virginia Divide Sewer.

No public comment.

Motion: I make a motion to approve acceptance of funds transferred from Storey County Contingency in the amount of \$208,500 to the Virginia Divide Sewer Fund and the Comptroller's recommendations on distribution of funds pursuant to NRS 354598005, **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

30. DISCUSSION/POSSIBLE ACTION: Transfer of Appropriations in the Storey County Water Fund in the amount of \$52,000.

Mr. Gallagher this appropriation comes out of the water fund to be distributed to salaries and benefits. This is water and sewer. The total Public Works budget is actually very good. Last year, salaries were reallocated to where they were supposed to be.

County Manager Whitten commended Hugh and Jennifer for all of their work. This is a very complex and tedious process.

No public comment.

Motion: I make a motion to approve transfer of appropriations within the Storey County Water Fund pursuant to NRS 354.598005 in the amount of \$52,000, **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

Commissioner Gilman commented: Six years ago this “crew” decided to go to a line-item budget. I am very proud of the staff. Adjustments are being made going into this fourth quarter and they are being done with full transparency. This is fiscal responsibility and being very transparent. This is a “banner moment” in the County. Thank you - you guys have done a great job.

Chairman McBride: I agree with Commissioner Gilman. With all of the departments, this is hard to track. Every year it gets better and better.

31. RECESS TO CONVENE AS STOREY COUNTY LIQUOR BOARD

32. DISCUSSION/POSSIBLE ACTION: and possible approval of first reading for On-Sale and Off-Sale liquor licenses & Cabaret license for Bonanza Saloon, 27 N C St, Virginia City, NV 89440. Applicant is Vincent Malfitano.

Sheriff Antinoro said Mr. Malfitano, previously denied liquor & cabaret license, has re-applied. The initial fingerprint check has been received - there is nothing there that would preclude him from having a license and is being processed as with any other license. A temporary license will not be issued as this operation will continue under the license of Tina Perkins until this item comes before the Board in second reading and there is a decision.

Chairman McBride: Three years ago the same report was given (by the Sheriff) that everything was okay. Before the State Gaming Commission there was a mountain of information - you said you didn't have the tools or accessibility to the information the State had.

Sheriff Antinoro: Does not believe that was the case. There was nothing uncovered in our investigation that would preclude him from holding a liquor license. Gaming standards are far different from liquor licenses.

Chairman McBride commented looking at what Mr. Malfitano's finances were at the time - debt and tax liens - falls under business probity in County Code.

Sheriff Antinoro said that without going over past history, this is a first reading. Coming with a first reading is basically with fingerprint and criminal history that shows no exclusionary things. The rest of the items, finances, etc., will be brought forward at the second reading. All we ever come forward with at first reading is to make sure there are no criminal preclusions.

Chairman McBride: Thanks for that. We never get a staff report indicating how far you have gone in investigation.

Sheriff Antinoro: They are provided on second readings.

Deputy District Attorney Loomis reviewed the previous denial:

- Mr. Malfitano applied in 2015 for a liquor license and was denied based largely on the findings of the Gaming Commission.
- The denial was challenged in District Court and upheld.
- It was appealed in the Nevada Supreme Court, and upheld - the decision based on language in the ordinance stating that it has to be a satisfactory and profitable business enterprise. Applicant challenged the term “satisfactory” was too vague to comply with the process. The Supreme Court said, since it was an application for a license and not a revocation, the term satisfactory was sufficient to comply with due process requirements.

- Applicant asserted reliance on information provided by the Gaming Commission violated his rights as no other applicant was subjected to that type of requirement.
- The Supreme Court said there was a rational basis based on the information from the Gaming Control Board addressing financial issues - the same as addressed in the (County's) ordinance.
- The Nevada Supreme Court has settled those issues in terms of what this Board did previously, and what can be done going forward.

Mr. Loomis said the County's liquor license ordinance provides that application for a new license may be submitted and considered for first reading following a 30-day investigative period. This has been done. Additionally, the ordinance states, "additional investigative time may be taken by the licensing authorities if required" - giving this Board the authority to do additional investigation if it wishes. This is an option for the Board.

Chairman McBride and Commissioner Gilman disclosed that they are liquor and cabaret license holders on C Street and they would not treat this application any different than any other application.

Chairman McBride asked if the Board approved this first reading, would the Board direct the Sheriff to do further investigation, or should (the Board) direct outside investigation?

Mr. Loomis indicated this would be at the discretion of the Board.

Commissioner Gilman believes that outside investigation would be important.

Sheriff Antinoro said we are still involved in the background investigation, it has been assigned to an investigator who has already been in contact with the Gaming Control Board. It would be irresponsible to base a decision on what the previous Gaming Control Board as it is somewhat dated.

Mr. Loomis requested that the second reading introduce the findings of the Gaming Commission - although somewhat dated, they are still relevant.

Vice Chairman McGuffey asked if there were any conflicts with the fact that the Sheriff's campaign party was hosted at the Delta. Sheriff Antinoro clarified that no donation was made; the event was set up through the Manager, Ms. Perkins, and was paid for with campaign funds. Mr. Loomis stated there is no conflict.

Applicant Vincent Malfitano: Some things have changed and some have not since 2015. The Gaming Control Board findings still are inaccurate, not factual and easily refuted.

Changes that have been made are that the businesses have been run successfully and continue to employ. No actions have been brought against him. Talking about business probity, I didn't "shutter the doors", the businesses are still there, still hiring people, still serving people and the community.

Chairman McBride: Has heard that Mr. Malfitano is going to reapply to the Gaming Commission. Being licensed by Gaming would speak volumes.

Mr. Malfitano said that he is considering it and agrees 100%. The business is doing fine without the gaming. The issue with the Gaming Control Board is that they are very powerful and cannot be questioned. Going back to them would be to refute the findings, obtain a license, and to clear my name - and just show them the facts. One of the things that have changed since the Board's denial, is

that there is no debt on my properties - they are paid off. This shows business probity. The only vehicle to refute the decision is to re-apply, which is very costly and time consuming.

Public Comment:

Sam Toll: Encourages you to take a look at the progress that has been made between the time of denial of his licenses and today. His investment in the community is clear. Mr. Malfitano and Ms. Perkins have each made significant investment, both in money and time, in the properties. He deserves a fair shot.

Sheriff Antinoro clarified that with approval of the first reading, a temporary license would not be issued until the second hearing.

Commissioner Gilman recommended that the District Attorney be asked to hire an outside, consultant- attorney to do the background check and prep for presentation at the next reading.

County Manager suggested to consider not an attorney but a financial person - the County has legal counsel.

Gilman clarified that it be a third party - independent- to give an "arms-length review" of the background for the license.

Vice Chairman McGuffey commended Mr. Malfitano for his diligence in keeping the businesses open and running.

Motion: I make a motion to approve the first reading and consideration for On-Sale and Off-Sale liquor licenses & Cabaret license for Bonanza Saloon, 27 N C St, Virginia City, NV 89440. **Applicant** is Vincent Malfitano, **Seconded by:** Commissioner Gilman. Addition to motion by Commissioner Gilman: I move to ask the District Attorney's Office to bring in outside, investigative help looking at Mr. Malfitano's background and to prepare a report for the second reading, **Seconded by:** Vice Chairman McGuffey, **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=4)

33. DISCUSSION/POSSIBLE ACTION: Consideration and possible approval of first reading for On-Sale and Off-Sale liquor licenses & Cabaret license for Delta Saloon, 18 S. C St, Virginia City, NV 89440. **Applicant is Vincent Malfitano.**

Sheriff Antinoro said this is the same as the previous item, with a different name and location.

Chairman McBride and Commissioner Gilman disclosed that they are liquor and cabaret license holders on C Street and they would not treat this application any different than any other application.

No public comment.

Motion: I make a motion to approve the first reading and consideration for On-Sale and Off-Sale liquor license & Cabaret license for Delta Saloon, 18 S. C St, Virginia City, NV 89440, applicant is Vincent Malfitano and to direct the District Attorney's Office to bring in outside counsel for the background check, **Seconded by:** Commissioner Gilman, **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=4)

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

35. DISCUSSION/POSSIBLE ACTION: Approval of Business License second readings:

- A. JACKSON QUALITY DRYWALL - Contractor / 1560 Willow Cr Ln ~ Gardnerville, NV
- B. APOLLO CONSTRUCTION, INC - Contractor / 1133 W. Columbia Dr ~ Kennewick, WA
- C. EDGE COMMUNICATION INC - Contractor / 2955 Hwy 40 W. ~ Verdi, NV
- D. HENKEL - General / 32100 Stephenson Hwy ~ Madison Heights, MI
- E. CLIMATE PROS OF NORTHERN NV - Contractor / 10090 Orchard Hill De ~ Reno, NV
- F. RELEVATE, LLC - General / 2161 W. Enfield Way ~ Chandler, AZ
- G. TIM BLAKELY IMAGING SOLUTIONS - Home Business / 2090 Lousetown Rd ~ VCH, NV
- H. AIR TREATMENT CORP - General / 640 N. Puente St ~ Brea, CA
- I. PRECISION MANHOLES, INC - Contractor / 770 E. Main St #321 ~ Lehi, UT
- J. PACIFIC CONSOLIDATED OF NV INC - General / 2615 Branson Ave ~ Plano, TX
- K. GQS - GLOBAL QUALITY SUPPLY LLC - General / 333 H. St Ste. 5024 ~ Chula Vista, CA
- L. RICKS AEC REPROGRAPHICS - General / 488 Kietzke Ln ~ Reno, NV
- M. CRYSATL BARHAM - Handyman / 234 Prospector Rd ~ Dayton, NV
- N. A & A TOWING, INC - General / 1395 E. 4th St ~ Reno, NV
- O. MECHATECH INC- General / 435-1 Fuzinomori ~ Hikone-Shi, Japan
- P. LELY TANK AND WASTE SOLUTIONS, LLC / General - 3033 Waltham ~ Sparks, NV
- Q. ARC HEALTH & WELLNESS CNT - General / 82 E. Glendale ~ Reno, NV
- R. ARC WORK PLACE SVC, LLC- General / 82 E. Glendale ~ Reno, NV
- S. ALFA LAVAL INC - General / 5400 International Trade Dr ~ Richmond, VA
- T. APPLIED ENGINEERING INC - General / 3300 Fiechtner Dr ~ Fargo, ND
- U. CENTURY PLASTICS LLC - General / 15030 23 Mi Rd ~ Shelby Twp, MI
- V. CYBERTROL ENGINEERING LLC - General / 2950 Xenium Ln ~ Mpls, MN
- W. ELECTRICAL SOLUTIONS - Contractor / 2710 Valley View Dr ~ Reno, NV
- X. MK NORTH AMERICA, INC - General / 105-125 Highland PK Dr ~ Bloomfield, CT
- Y. PFM INTEGRATORS INC- General / 2726 Autumn Woods Dr ~ Chaska, MN
- Z. AMUNDSON ROOFING INC- Contractor / 8995 Terabyte Dr ~ Reno, NV
- AA. SAFETY ON SITE - General / 316 California Ave ~ Reno, NV
- BB. NAISBITT CONSTRUCTION - Contractor / 4 Hardy Dr ~ Sparks, NV

Mr. Whitten, on behalf of Community Development, requested approval of all items.

Motion: I make a motion to approve items A. through BB., **Seconded by:** Commissioner Gilman,
Action: Approve, **Moved by:** Vice Chairman McGuffey, **Vote:** Motion carried by unanimous vote,
(Summary: Yes=3)

36. PUBLIC COMMENT (No Action)

Sam Toll: Echoed Commissioner Gilman's comments on transparency of this latest augmentation process. I do a lot of public records request and no one is clearer or quicker than Mr. Gallagher and I am very grateful for the transparency of his office.

Mr. Toll said he attended the VCTC meeting on Thursday - about 35 merchants from C Street also attended. The tenor of the room for cancelling the Ferrari races was untenable. The outcry represents a disconnect between the VCTC and the folks whose job it is to support. It's the jobs of the merchants to make the best of the visitors on C Street.

Mr. Toll asked Mr. Whitten to reconsider the "iron clad door" being shut. Many merchants were vocally upset. Mr. Toll said he reviewed papers from the last few year and found reasons to side with you, and how disorganized and cavalier their (the organizers) attitude was, and (with this event) the

town is not as packed as with other events. The event did contribute to the High School obtaining a new school bus. There is an opportunity to repair and reconsider.

Mr. Toll commented about the Opportunity Zone, understanding this will benefit some of the bigger players at the Industrial Park. Again the tenor of the meeting, merchants are just hanging on and welcome every opportunity to increase the bottom line. Maybe a workshop could be put on the agenda to help some of the people on C Street realize the advantage of the Opportunity Zone and explain what it is. Signatures have been collected from merchants which will be given to Mr. Whitten - these people are frustrated and many are upset.

37. ADJOURNMENT

The meeting was adjourned by the call of the Chair at 1:43 pm

Respectfully submitted,

By: _____
Vanessa Stephens, Clerk-Treasurer