



STOREY COUNTY BOARD OF COUNTY COMMISSIONERS MEETING

10/2/2018 10:00 A.M.

26 SOUTH B STREET, VIRGINIA CITY, NEVADA

AGENDA

MARSHALL MCBRIDE
CHAIRMAN

ANNE LANGER
DISTRICT ATTORNEY

JACK MCGUFFEY
VICE-CHAIRMAN

LANCE GILMAN
COMMISSIONER

VANESSA STEPHENS
CLERK-TREASURER

Members of the Board of County Commissioners also serve as the Board of Fire Commissioners for the Storey County Fire Protection District, Storey County Brothel License Board, Storey County Water and Sewer System Board and the Storey County Liquor and Gaming Board and during this meeting may convene as any of those boards as indicated on this or a separately posted agenda.

All matters listed under the consent agenda are considered routine, and may be acted upon by the Board of County Commissioners with one action, and without an extensive hearing. Pursuant to NRS 241.020 (2)(d)(6) Items on the agenda may be taken out of order, the public body may combine two or more agenda items for consideration, and the public body may remove an item from the agenda or delay discussion relating to an item on the agenda at any time. Any member of the Board or any citizen may request that an item be taken from the consent agenda, discussed, and acted upon separately during this meeting. The Commission Chair reserves the right to limit the time allotted for each individual to speak.

All items include discussion and possible action to approve, modify, deny, or continue unless marked otherwise.

1. **CALL TO ORDER REGULAR MEETING AT 10:00 A.M.**
2. **PLEDGE OF ALLEGIANCE**
3. **DISCUSSION/POSSIBLE ACTION:**

Approval of the Agenda for October 2, 2018.

4. DISCUSSION/POSSIBLE ACTION:

Approval of minutes for September 4, 2018.

5. DISCUSSION/POSSIBLE ACTION:

Approval of minutes for September 6, 2018.

6. CONSENT AGENDA

- I For possible action, Approval of payroll claims in the amount of \$629,867.24 and accounts payable claims in the amount of \$2,489,987.18.
- II For possible action, approval of assessor's recommended corrections to secured and unsecured tax rolls for errors.
- III For possible action, approval of business license first readings:
 - A. HERITAGE CONSTRUCTION & DEVELOPMENT - Contractor / 2351 Sunset Blvd ~ Rocklin, CA
 - B. UNITED HERITAGE FINANCIAL GROUP, INC - General/707 E. United Heritage Ct ~ Meridian, ID
 - C. AXINE USA INC - General / 108-2386 East Mall ~ Vancouver, Canada
 - D. LIBERTY INTERACTIVE CORP, dba: ZULILY - General / 2555 USA Pkwy ~ McCarran, NV

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

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

9. DISCUSSION ONLY (No Action):

Presentation from Ben Sehy with Moreton Asset Management, regarding Storey County's investment portfolio.

10. DISCUSSION/POSSIBLE ACTION:

Approval and acceptance of a Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant award for \$73,489.00 to assist the Storey County School District with an Emergency Backup Generator at the Virginia City High School.

11. DISCUSSION/POSSIBLE ACTION:

Review and Possible Approval of Agreed - Upon Procedures presented by Grant Thorton LLP Certified Public Accounting Firm pertaining to audit engagement with Tesla.

12. DISCUSSION/POSSIBLE ACTION:

Consideration and possible action on first reading of ordinance no. 18-295 creating the Tahoe-Reno Industrial Center Tax Increment Area pursuant to Nevada Revised Statutes Chapter 278C; ordering an undertaking relating to the tax increment area; creating the tax increment account for the undertaking; and ratifying action taken by County officers toward the undertaking and the tax increment area.

13. DISCUSSION/POSSIBLE ACTION:

Discussion and possible action on second reading of ordinance 18-289 creating Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center); ordering a water project, within Storey County, Nevada.

14. DISCUSSION/POSSIBLE ACTION:

Consideration and possible adoption of Ordinance No. 18 - 289A, as if on an emergency basis, creating Storey County, Nevada Special Assessment District No. 01 (Tahoe Reno Industrial Center) ordering a water project, i.e., an effluent pipeline from Truckee Meadows Reclamation Facility to the Tahoe Reno Industrial Center in Storey County, Nevada.

15. DISCUSSION/POSSIBLE ACTION:

Discussion and possible action on second reading of ordinance 18-290 concerning Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center) and assessing the cost of local improvements against the assessable property benefited by the local improvements.

16. DISCUSSION/POSSIBLE ACTION:

Consideration and possible adoption of Ordinance No. 18-290A, as if on an emergency basis, concerning Storey County, Nevada Special Assessment District No. 01 (Tahoe Reno Industrial Center) levying the assessment of the cost of building the off-site portion of the effluent pipeline from the Truckee Meadows Water Reclamation Facility to the Tahoe Reno Industrial Center against the assessable property benefitted by the pipeline.

17. DISCUSSION/POSSIBLE ACTION:

Discussion and possible action on resolution 18-510 directing the engineer of behalf of Storey County, Nevada to prepare and file with the County Clerk preliminary plans and an assessment plat in connection with a proposed water project in Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center).

18. DISCUSSION/POSSIBLE ACTION:

Discussion and possible action on resolution 18-511 directing the county's engineer to prepare preliminary plans, cost estimates and related items to reimburse the costs of an undertaking for a tax increment area formed pursuant to Nevada Revised Statutes chapter 278C.

19. DISCUSSION/POSSIBLE ACTION:

Consideration and possible approval of resolution 18-512 approving the form of the financing agreement among the County, TRI General Improvement District and all owners of assessable property in Storey County Special Assessment District No. 01 (Tahoe-Reno Industrial Center).

20. DISCUSSION/POSSIBLE ACTION:

Discussion and possible action on resolution 18-513 provisionally ordering an undertaking for a tax increment area formed pursuant to Nevada Revised Statutes chapter 278C; setting a time and place for a hearing on the undertaking; and providing other matters related thereto.

21. DISCUSSION/POSSIBLE ACTION:

Consideration and possible approval of agreement between Storey County and TRI Center LLC (TRI) by which, should County have to utilize the uncommitted portion of its general fund to make payments on the bond secured by the Storey County Special Assessment District No. 01 (SAD), TRI agrees that the amounts so provided will be credited against the vouchers issued by County to reimburse TRI for the costs of providing public infrastructure at the rate of 1.5 to 1.

22. DISCUSSION/POSSIBLE ACTION:

Approval of business license second readings:

A. COLEMAN ELECTRICAL CO / Contractor - 2665 Billys Rd ~ Minden, NV

B. NW HOLDING & RECOVERY, LLC / General - 4900 Meadows Rd ~ Lake Oswego, OR

C. GLOBAL RISK CONSULTANTS CORP / General - 100 Walnut Ave ~ Clark, NJ

D. SAVANAH LEE, DBA: ACCESS TRANSFORMATION / MT - 4255 Wedekind Rd ~ Sparks, NV

E. MEN WIELDING FIRE INC / General - 1485 W. 4th St. ~ Reno, NV

F. ZUNESIS INC / General - 8375 S. Willow St ~ Lonetree, Co

G. LARSON DESIGN GROUP, INC / General - 1000 Commerce Park Dr ~ Williamsport, PA

H. SNVRE, INC / General - 440 USA Pkwy ~ McCarran, NV

I. CEMEX CONSTRUCTION MATERIALS PACIFIC / General - 1000 Peru Dr ~ Sparks, NV

23. **PUBLIC COMMENT (No Action)**

24. **ADJOURNMENT**

NOTICE:

- Anyone interested may request personal notice of the meetings.
- Agenda items must be received in writing by 12:00 noon on the Monday of the week preceding the regular meeting. For information call (775) 847-0969.
- Items may not necessarily be heard in the order that they appear.
- Public Comment will be allowed at the end of each meeting (this comment should be limited to matters not on the agenda). Public Comment will also be allowed during each item upon which action will be taken on the agenda (this comment should be limited to the item on the agenda). Time limits on Public Comment will be at the discretion of the Chairman of the Board. Please limit your comments to three minutes.
- Pursuant to NRS 241.020(c) a member of the public may request the supporting material for the meeting from Vanessa Stephens, Storey County Clerk, at (775) 847-0969. Additionally, the supporting materials may be found at www.storeycounty.org.
- Storey County recognizes the needs and civil rights of all persons regardless of race, color, religion, gender, disability, family status, or nation origin.
- In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotope, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

- (1) mail: U.S. Department of Agriculture
Office of the Assistant Secretary for Civil Rights
1400 Independence Avenue, SW
Washington, D.C. 20250-9410;

(2) fax: (202) 690-7442; or

(3) email: program.intake@usda.gov.

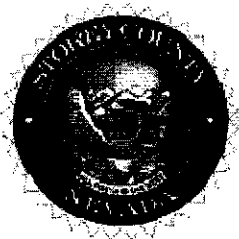
USDA is an equal opportunity provider, employer, and lender.

Notice to persons with disabilities: Members of the public who are disabled and require special assistance or accommodations at the meeting are requested to notify the Commissioners' Office in writing at PO Box 176, Virginia City, Nevada 89440.

CERTIFICATION OF POSTING

I, Vanessa Stephens , Clerk to the Board of Commissioners, do hereby certify that I posted, or caused to be posted, a copy of this agenda at the following locations on or before 9/26/2018; Virginia City Post Office at 132 S C St, Virginia City, NV, the Storey County Courthouse located at 26 S B St, Virginia City, NV, the Virginia City Fire Department located at 145 N C St, Virginia City, NV, the Virginia City Highlands Fire Department located a 2610 Cartwright Rd, VC Highlands, NV and Lockwood Fire Department located at 431 Canyon Way, Lockwood, NV.

By Vanessa Stephens
Vanessa Stephens Clerk-Treasurer



Storey County Board of County Commissioners Agenda Action Report

Meeting date: October 2, 2018
Agenda Item Type: Regular Agenda

Estimate of Time Required: 0-5 min.

1. **Title:** Approval of minutes for September 4, 2018.
2. **Recommended motion:** Approve minutes as submitted.
3. **Prepared by:** Vanessa Stephens

Department: Clerk

Contact Number: 847.0969

4. **Staff Summary:** Minutes are attached.
5. **Supporting Materials:** See attached
6. **Fiscal Impact:** 0
7. **Legal review required:** No
8. **Reviewed by:**



____ Department Head

Department Name: Clerk

____ County Manager

Other Agency Review: _____

9. **Board Action:**

<input type="checkbox"/> Approved	<input type="checkbox"/> Approved with Modification
<input type="checkbox"/> Denied	<input type="checkbox"/> Continued



STOREY COUNTY BOARD OF COUNTY COMMISSIONERS MEETING

TUESDAY, SEPTEMBER 4, 2018 10:00 A.M.

DISTRICT COURTROOM
26 SOUTH B STREET, VIRGINIA CITY, NEVADA

MINUTES

MARSHALL MCBRIDE
CHAIRMAN

ANNE LANGER
DISTRICT ATTORNEY

LANCE GILMAN
VICE-CHAIRMAN

JACK MCGUFFEY
COMMISSIONER

VANESSA STEPHENS
CLERK-TREASURER

ROLL CALL: Chairman McBride, Vice-Chairman McGuffey, Commissioner Gilman, County Manager Pat Whitten, Clerk/Treasurer Vanessa Stephens, Comptroller Hugh Gallagher, Deputy District Attorney Keith Loomis, Sheriff Gerald Antinoro, Planning Director/Administrative Officer Austin Osborne, Public Works Director Jason Weizrbicki, Building Inspector Pete Renaud, IT Director James Deane, Project Manager Mike Northan

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 September 4, 2018.

Commissioner Gilman recused himself from items 7 through 11 due to having a pecuniary interest in the Tahoe Reno Industrial Center.

Mr. Osborne requested item 13 be continued to October 16, 2018.

Public Comment:

None

Motion: Approve Agenda for September 4, 2018, **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 payroll claims in the amount of \$1,235,259.56 and accounts payable claims in the amount of \$3,212,758.51.

II. For possible action, approval of business license first readings:

- A. CHEEK CONSTRUCTION, LLC / Contactor - 3303 Reno Hwy ~ Fallon, NV
- B. LASCO PROCESS SYSTEMS, LLC / Contractor - 18601 LBJ Fwy ~ Mesquite, YX
- C. MCA MECHANICAL, INC / Contractor - 2190 Fish Springs Rd ~ Gardnerville, NV
- D. MOBILE TRUCK WASH LLC / General - 75 Bank St #8 ~ Sparks, NV
- E. FTM CORPORATION / Contractor - 460 N. Geneva Rd ~ Lindon, UT
- F. VERDI ENERGY INC / General - 2104 Lytham Ct ~ Wilmington, NC
- G. ROTO-ROOTER / Contractor - 200 B Coney Island Dr ~ Sparks, NV
- H. KINETIC SAFETY LLC, DBA: 3M SAFETY TRAINING / General - 3M Center Bldg. ~ St Paul, MN

III. For possible action, approval of assessor's recommended correction to Unsecured Tax Roll for clerical error.

IV. For possible action, approval of Assessor's recommended correction to 2018-19 Secured Tax Roll for abatement pursuant to NRS 701A.210.

Public Comment:

None

Motion: Approve Consent Agenda for September 4, 2018, **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

Sheriff Antinoro:

- The Labor Day weekend was very busy for the Sheriff's Department with a missing person, a suicide, and drug arrest.
- Peace Officers Standards and Training will be here in two weeks to audit all records to insure compliance.

Public Works Director Jason Weizerbicki:

- Hwy 342 will be shut down before Griner's Bend tomorrow morning for repair of a leak.

Building Inspector Pete Renaud:

- Reported on Community Development activities for last month:
 1. 42 construction reviewed;
 2. 55 permits issued;
 3. 17 new business licenses issued;
 4. 29 active on-going nuisances;
 5. 54 annual fire inspections completed;
 6. 234 construction inspections conducted;
 7. Special inspector packet (Title 17) has been updated;
 8. Gary Hames is working Attorney Bob Morris on an ordinance updating and adopting building and fire codes amendments.

County Manager Pat Whitten:

- The sewer pipeline project is 91% complete by pipe - by budget, 87% complete, with the outer edges of the project being wrapped up.
- E Street has now been connected to Mill Street.

Clerk/Treasurer Vanessa Stephens:

- Meeting date changes: November 6th is Election Day Commission. The Commission meeting will be held on November 9th. This will be the only meeting in November.
- Due to "swearing in" the first meeting in January will be on Monday, January 7th - the second meeting is set for January 22nd.

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

Vice Chairman McGuffey:

- Artist Nolan Preece, a member of St. Mary's Board, has been invited to show his art in New York.
- Previously it was mentioned that there was a meeting with the Governor's office to discuss funding for the V&T. He was advised that the V&T's request for 1301 funding will be submitted this week and will go on to generate a BDR for next year's legislation.

Chairman McBride:

- As pointed out, there was a lot of activity over the Labor Day weekend. Civil War reenactors did a great job entertaining visitors.

7. DISCUSSION ONLY (No Action): Workshop to provide and discuss updates on the Special Assessment District and all related documents and provide an overview of the inter-related Tax Increment Area including estimated revenue projections.

Mr. Whitten introduced representatives from Switch, Applied Analysis, attorney Bob Sader, Brent Farr - County engineer, financial advisor Marty Johnson, and bond counsel Kendra Follett.

Marty Johnson gave a Power Point presentation reviewing revenue projections and timelines. See presentation attached.

Approval was received at the August 14th GOED Board meeting to continue forward with the process. Discussions have started with the State Treasurer's Office. The Board of Finance will likely take action at meetings on October 9th and November 13th - with a bond sale November 20th and closing in early December. Meetings have been held with the Department of Taxation regarding management of the Tax Increment Area (TIA) and cash flows.

Brian Gordon from Applied Analysis said the Department of Taxation would have to establish a procedure to determine going forward which sales taxes would be generated off of the parcels contained in the Tax Implement Area.

Chairman McBride asked how the sales tax would be measurable, the (County) hasn't been able to get measurable sales tax information from the Department of Taxation up to this point. Are voter approved incremental taxes protected or not protected?

Mr. Johnson: On the property tax side -yes. On the sales tax side - no, that is not my understanding.

Mr. Johnson continued the presentation with a schematic showing how the money will flow within the tax increment area.

Vice Chairman McGuffey: Understanding the information presented is just projection - are the total taxes generated projection totals without the pipeline County-wide or is this focused on TRI?

Mr. Johnson said it is strictly tax increment area properties based on the County's property tax rate.

Mr. Gordon: The projections were based on development scenarios into the future for the various participants in the TIA.

Mr. Johnson: Whatever abatements available to data centers under Nevada Law were factored in to these projections.

The Interim Finance Committee meeting will be held tomorrow to consider the Tax Increment Area.

Public Comment:

Nicole Barde, Storey County Resident asked how likely would it be that the pipeline isn't built if they don't get money out of the tax increment area? Are you going to look for other ways to do this since it's so important? Do you need (Storey County's) money?

Brian Gordon responded that conversations have been held with all of the private sector participants - indications suggest if the Special Assessment District (SAD) and the TIA did not move forward they would evaluate and determine whether to go forward with any or all of the development plans on their property. The additional water is necessary for major developments. The request is being made in order to help support the project.

Ms. Barde asked if they walk away, what does that mean to revenues out of the TIA?

Mr. Gordon understands that some participants may scale back plans - plans would certainly alter. There would be less development without full water availability - plans would be delayed while figuring out their approach.

Ms. Barde: It would be cheaper for them to pay the \$35 million amongst the 6 of them - and be done with it in 18 months. Why not go that option? Whether it's the County or companies paying for it, why wouldn't the companies just pay? Why should residents pay?

Mr. Gordon explained that incremental revenues are being generated off the properties participating in the SAD. Future price appreciation or future investments are what's generating the taxes to be used for the reimbursement. Participants agreed to pay the principle and interest on the bonds - if there is no increment, they are still paying it - the County has not paid anything related to the bond payments. SAD participants are 100% "on the hook" for those payments, regardless of what happens with future taxes. If future taxes are generated by participants on those properties, under the current structure, they are able to be reimbursed.

Mr. Johnson referred back to his presentation reminding that the \$60 million reimbursement comes from various local governments. The County is on the hook. The County would share in a piece of that - other governments are also "giving up" money in this scenario.

Chairman McBride: The bond is going to be repaid with taxes generated by this new district, and not from existing taxes being generated and collected County-wide.

Mr. Johnson: The bonds will be paid from the assessments, the reimbursement will be on the assessments, not necessarily the bonds. Right, those will come from revenues generated within the TIA that are not currently being generated. The taxes getting paid to the reimbursement are allocated among the various participating governments.

Kris Thompson, Tahoe-Reno Industrial Park Project Manager: Not one penny for this proposal is coming out of current taxes to the County - it is all out of the growth.

Mr. Thompson commented that a primary critic of this project is Ms. Barde, who is running for County office. Ms. Barde has talked about her experience working for Intel. Mr. Thompson reviewed tax breaks, subsidies, and such that Intel has received in the past and said this was hypocrisy on criticism of this plan. Mr. Thompson said there is competition with other localities and States who are willing to do bonds. It has taken years to get this going and it is a very historic opportunity. Mr. Thompson reviewed statistics of employment and capital income in the Park with the current 800 acre feet of water. The amount of water being talked about and the capital investment these companies are making is historic for the region.

Ms. Barde said she did work for Intel, is imminently qualified, and is pro-business. Ms. Barde is against the use of public money and as a citizen feels this is not right.

Chairman McBride asked if this was a fresh water pipeline to existing and future homeowner's in the Highlands, and it was to be paid back - would you have the same opposition with people who are in need of fresh water in contrast to the need for effluent water by businesses in the industrial park?

Ms. Barde: I would ask them to vote on it. The money coming out of TRI was promised to us. We were told there would be property tax....

Chairman McBride commented this is off track.

Ms. Barde: The money coming from TRI belongs to the residents of this County.

Chairman McBride indicated approximately 85% of the taxes paid in the County are paid by the industrial park. This water legislation was passed about three years ago.

Ms. Barde summarized that she is against the use of public money to fund corporate welfare.

Randy Aleman, Emerald City Empire & Town Center, commented that corporate welfare means they have "no skin in the game". Mr. Aleman does not see any risk to Storey County. This is a vehicle made available to the County by the State to invite and help companies into this community and supporting jobs. Mr. Aleman explained the risk his company is taking and said this is a

tremendous opportunity. He hopes the pipeline goes on no matter what happens - water is a crucial lifeline. Mr. Aleman bought into the lake 14 years ago - wants to see it filled and to see this project go forward.

Sam Toll: Shares Mr. Aleman's vision. The future of the park hinges on this pipeline. There are environmental benefits to the Truckee River in diverting the 4,000 acre feet of water. Mr. Toll opposes the diversion of funds that would otherwise go to Sheriff, Fire, and Public Works. The water is a direct benefit to the developers. The taxpayers should not be obligated to pay a developer expense. Many of the "players" are multi-billion dollar companies and should be expected to pay their way and not take services away from citizens of the County. The County should proceed with everything but the tax increment area and get the pipeline built.

8. DISCUSSION/POSSIBLE ACTION: Discussion and possible action on resolution 18-510 directing the engineer of behalf of Storey County, Nevada to prepare and file with the County Clerk preliminary plans and an assessment plat in connection with a proposed water project in Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center

Marty Johnson reminded that he represents the County and does not advocate for the project - his job is to make sure that the Board has the facts and give his objective opinion on how this is laid out. Kendra Follett echoed Mr. Johnson - she is bond counsel representing only the County and not any of the developers.

Brent Farr, the County's engineer, gave a power point overview of the project, including costs and contingency. The overview is attached to these minutes. There will be no bond proceeds reimbursing any portions of the pipeline within the industrial park.

Vice Chairman McGuffey asked if there would be any future opportunities to tap into the line for something like a park between Washoe County and TRI? Has the County paid for the engineers work so far?

Mr. Farr said that would be pretty slim due to the way the water is allocated to the various participants. In the future if there is more water, (a park) may be possible. The County has not paid for work so far - the groups involved in the SAD have paid those services.

Mr. Whitten commented that the six project participants have put funds on deposit, under the previously approved reimbursement agreement, for the services provided by Mr. Johnson, Ms. Follett, and Mr. Farr to the County.

Mr. Johnson explained the bond issuance and related costs. The bond reserve fund is a critical part to the County.

Mr. Whitten reviewed the provision of the SAD that discusses default, the options, and a safety net.

Mr. Johnson continued with the power point review with information regarding the bonds. The County will be issuing assessment district bonds. Mr. Johnson explained the administrative fund which will be used to pay items such as County staff time on foreclosures, the trustee, and other expenses.

Mr. Johnson explained the Revenue Fund where the balance will be built up. This is the other substantial security the County has. If everything goes as it should, there would be funds to pay off the bonds early.

Public Comment:

Sam Toll: Asked if the term of the bond had been decided.

Mr. Johnson: Guidelines suggest 20, the maximum for an assessment deal is 30 years, the developers asked for 25 years - this bond is based on 25.

Mr. Toll: Asked if there was a number for the total principle and interest based on the 25 years rather than the 20.

Mr. Johnson: Does not recall on the 20 years. The longer you go the more you pay in total debt services if the bond goes to maturity - but the annual payment is lower.

Mr. Toll: Asked about Emerald City Empire's "skin in the game" and the numbers that specifically affect them.

Mr. Whitten: Looking at their numbers, they have a much better assessment to value ratio before the pipeline and after the pipeline than others.

Mr. Toll: Referring to the chart - does this reflect the increased value based on the assessments?

Mr. Johnson: The column referred to reflects the value of the water tied to those parcels - that can be used as a result of this project. The "as is" includes the land - the "as if" is the land with the water.

Mr. Toll commented that with the water those properties will increase value. Without taxpayer's investment, that would be a developer investment on their properties. Mr. Toll said he vigorously supports this project without using taxpayer dollars. Is there a provision on over-runs if this project is approved?

Kendra Follett: There is a financing agreement currently in negotiation - this provision will be included.

Mr. Whitten: The County is capped at \$35 million - anything over that will be borne by the participants.

Mr. Toll asked if funds for easements on property in Lockwood have been included.

Mr. Farr: An appraiser has been hired for private property to appraise and make an offer in accordance with how these are generally acquired. All repairs will be made and properties put back to original conditions. These costs are included in the \$35 million budget.

Ms. Follett: Item 8 is a Resolution required by NRS 271 in order to create the Special Assessment District. The Resolution directs the engineer to prepare preliminary plans and assessment plat for Storey County Special Assessment District No. 01, Tahoe Reno Industrial Center.

Motion: I, Commissioner Jack McGuffey, move for approval of resolution 18-510 directing the engineer on behalf of Storey County, Nevada to prepare and file with the County Clerk preliminary plans and an assessment plat in connection with a proposed water project in Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center), **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Chairman McBride, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=2)

9. DISCUSSION/POSSIBLE ACTION: Discussion and possible action on resolution 18-511 directing the engineer on behalf of Storey County, Nevada to prepare and file with the County Clerk full and detailed plans, cost and an assessment plat in connection with a proposed water project in Storey County Special Assessment District No. 01 (Tahoe-Reno Industrial Center).

Ms. Follett said this is part of the legal proceedings required under NRS 271, directing the engineer to prepare and file these final plans, cost estimate, and assessment plat.

Public Comment:
None

Ms. Follett read the Resolution: A resolution directing the engineer on behalf of Storey County, Nevada to prepare and file with the County Clerk full and detailed plans, cost estimates and an assessment plat in connection with a proposed water project in Storey County Special Assessment District No. 01 (Tahoe-Reno Industrial Center).

Motion: I, Commissioner Jack McGuffey, move to approve resolution 18-511 directing the engineer on behalf of Storey County, Nevada to prepare and file with the County Clerk full and detailed plans, cost estimate and an assessment plat in connection with a proposed water project in Storey County Special Assessment District No. 01 (Tahoe-Reno Industrial Center), **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Chairman McBride, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=2)

10. DISCUSSION/POSSIBLE ACTION: Discussion and possible action on ordinance 18-289 creating Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center); ordering a water project, within Storey County, Nevada.

Ms. Follett explained this ordinance, first reading, creates the Special Assessment District. In order to move along to second reading each of the property owners is required by NRS 271 to sign an affidavit consenting to waiver of certain notices which need to be executed prior to adoption of the ordinance creating the district. The creation ordinance creates the district as it is right now and remains unchanged until the assessments are all paid.

Public Comment:
None

Ms. Follett read the ordinance: An ordinance creating Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center); ordering a water project within Storey County, Nevada.

Motion: I, Commissioner Jack McGuffey, make a motion to approve first reading of ordinance 18-289, creating Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center); ordering a water project within Storey County, Nevada, **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Commissioner McBride, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=2)

11. DISCUSSION/POSSIBLE ACTION: Discussion and possible action on ordinance 18-290 concerning Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center) and assessing the cost of local improvements against the assessable property benefited by the local improvements.

Ms. Follett: This ordinance on first reading, levies the assessments on the property, providing for the amount of interest on the assessment at 1% over the highest bond rate, the assessment payment dates of March 1 and September 1, and for penalties on any delinquent assessment payment.

Public Comment:
None

Ms. Follett read the ordinance: An ordinance concerning Storey County, Nevada Special Assessment District No. 01, Tahoe Reno Industrial Center, and assessing the cost of local improvements against the assessable property benefited by the local improvements.

Motion: I, Commissioner Jack McGuffey, move for approval of first reading of ordinance 18-290 concerning Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center) and assessing the cost of local improvements against the assessable property benefited by the local improvements, **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Chairman McBride, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=2)

12. DISCUSSION/POSSIBLE ACTION: Possible approval of the lease agreement with Pitney Bowes for use of the mail metering equipment in the Storey County Sheriff's Office.

Sheriff Antinoro said the present provider is not being supported necessitating an upgrade of service. The new lease will cost about \$120 more annually.

Public Comment:
None

Motion: I make a motion to allow Sheriff Gerald Antinoro to sign lease agreement with Pitney Bowes for use of the mail metering equipment in the Storey County Sheriff's Office, for use by the Sheriff's Office and the District Attorney's Office, **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

13. DISCUSSION/POSSIBLE ACTION: Approval of Ordinance No. 18-274 amendment to the Storey County sign ordinance, Storey County Code Title 17 Zoning, including Chapters 17.84 Signs and Billboards, 17.12 General Provisions, 17.15 Public zone, 17.16 R1 Single-Family Residential zone, 17.20 R2 Multi-Family Residential zone, 17.24 A Agriculture zone, Chapter 17.28 C Commercial zone, 17.30 CR Commercial Residential zone, 17.32 F Forestry zone, 17.34 I1 Light Industrial zone, 17.35 I2 Heavy Industrial zone, 17.40 E Estate zone, 17.44 SPR Special Planning Review zone, and 17.10 Definitions as pertaining to signs and billboards, and other properly related matters. Additional information including, but not limited to, draft text may be obtained from the Planning Department at 775.847.1144 or planning@storeycounty.org, or viewed online at <http://storeycounty.org/517/Updates>. In addition to the provisions of the NRS, any person may complete and return to the Board a statement supporting or opposing the proposed amendments to the county code and/or zoning ordinance.

This item continued to October 16, 2018.

14. DISCUSSION/POSSIBLE ACTION: Approve Resolution No.18- 509 relinquishing to NDOT two parcels of real property near the USA Parkway US 80 interchange.

Deputy District Attorney Keith Loomis: NDOT submitted this request asking the County to relinquish two parcels of property near USA Parkway/Highway 90 interchange. NDOT previously relinquished the two parcels in 2015 to the County and have asked for them back as they are maintaining the parcels.

Public Comment:

None

Motion: I move to approve Resolution No. 18-509 relinquishing to NDOT two parcels of real property, 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)

15. DISCUSSION/POSSIBLE ACTION: Approval of business license second readings:

A. BLOCKCHAINS MANAGEMENT, INC - General / 610 Waltham Way ~ Sparks, NV

B. INTERIOR SPECIALISTS, INC - Contractor / 10 Bunsen ~ Irvine, CA

C. ANTON PAAR USA, INC - General / 10215 Timber Ridge Dr ~ Ashland, VA

D. CALTROL INC - General / 1385 Pama Lane ~ Las Vegas, NV

On behalf of Community Development, County Manager Whitten, recommends approval of items A. through D.

Public Comment:

None

Motion: I move to approve Items A. through D., **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)

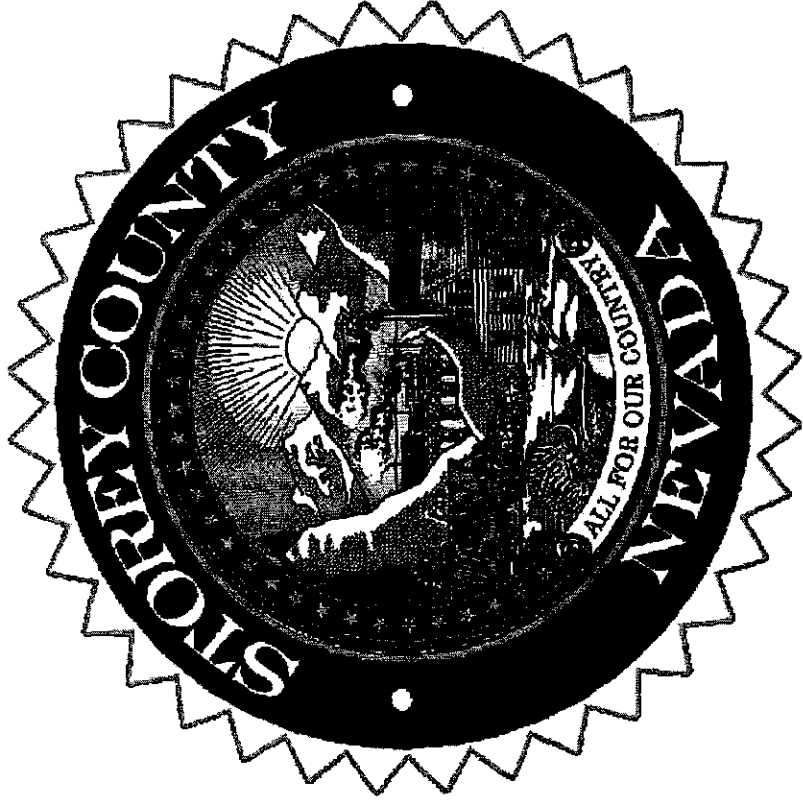
Sam Toll: Urged the Commissioners to include Public Comment at the beginning and end of meeting. Mr. Toll said he visited Mark Twain while campaigning, and folks down there are in dramatic opposition to tax dollars being spent on the pipeline. They are concerned their property taxes will be going up and that they will be expected to share the burden of the growth and increased demands of the County. There were comments about the lack of communication from the Commission with the residents.

17. ADJOURNMENT

Chairman McBride adjourned the meeting at 11:52 A.M.

Respectfully submitted,

By: Vanessa Stephens
Vanessa Stephens Clerk-Treasurer



TRIC Effluent Pipeline Project Tax Increment Area Update

September 2018

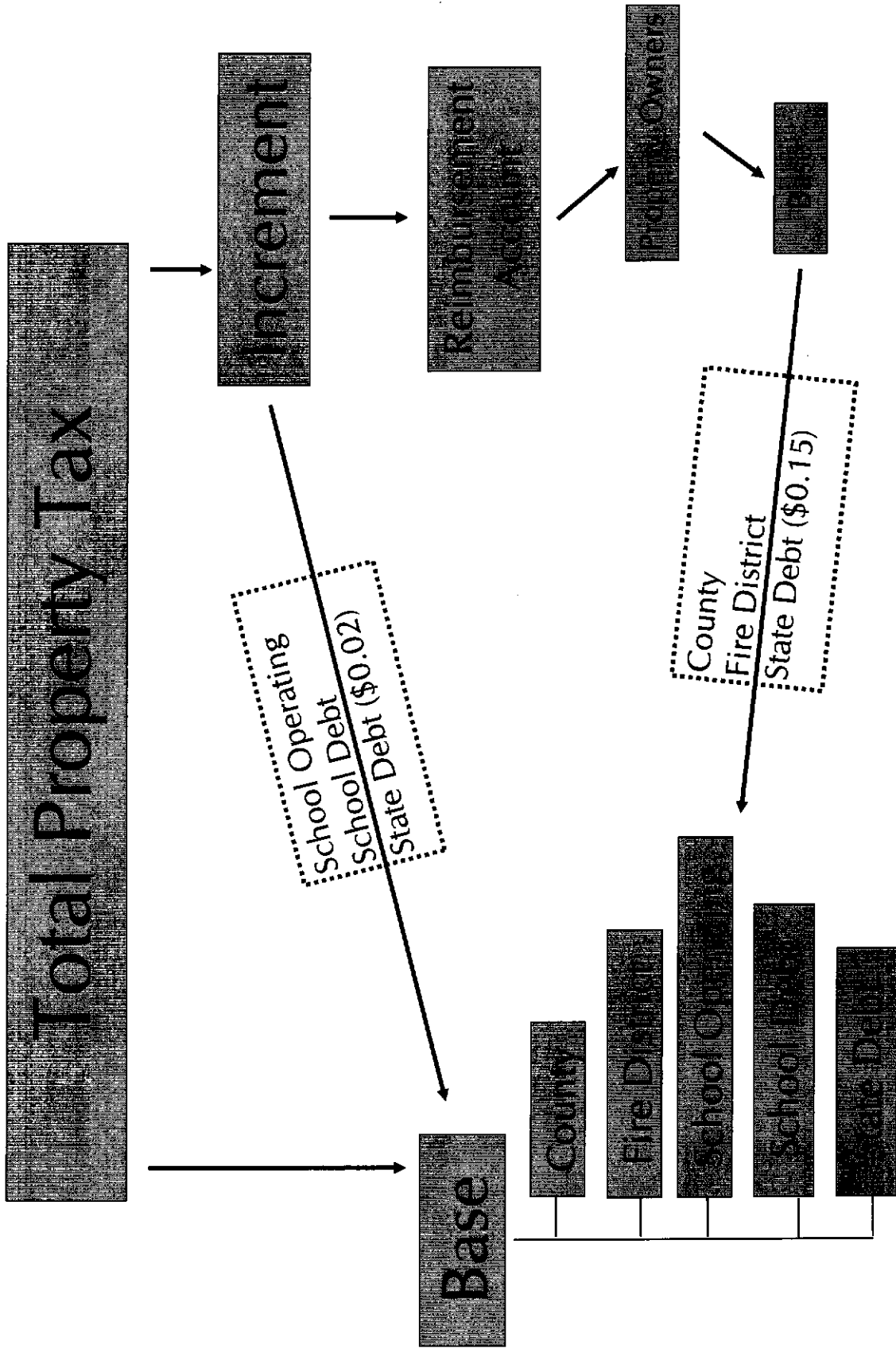
TRIC Effluent Pipeline Project

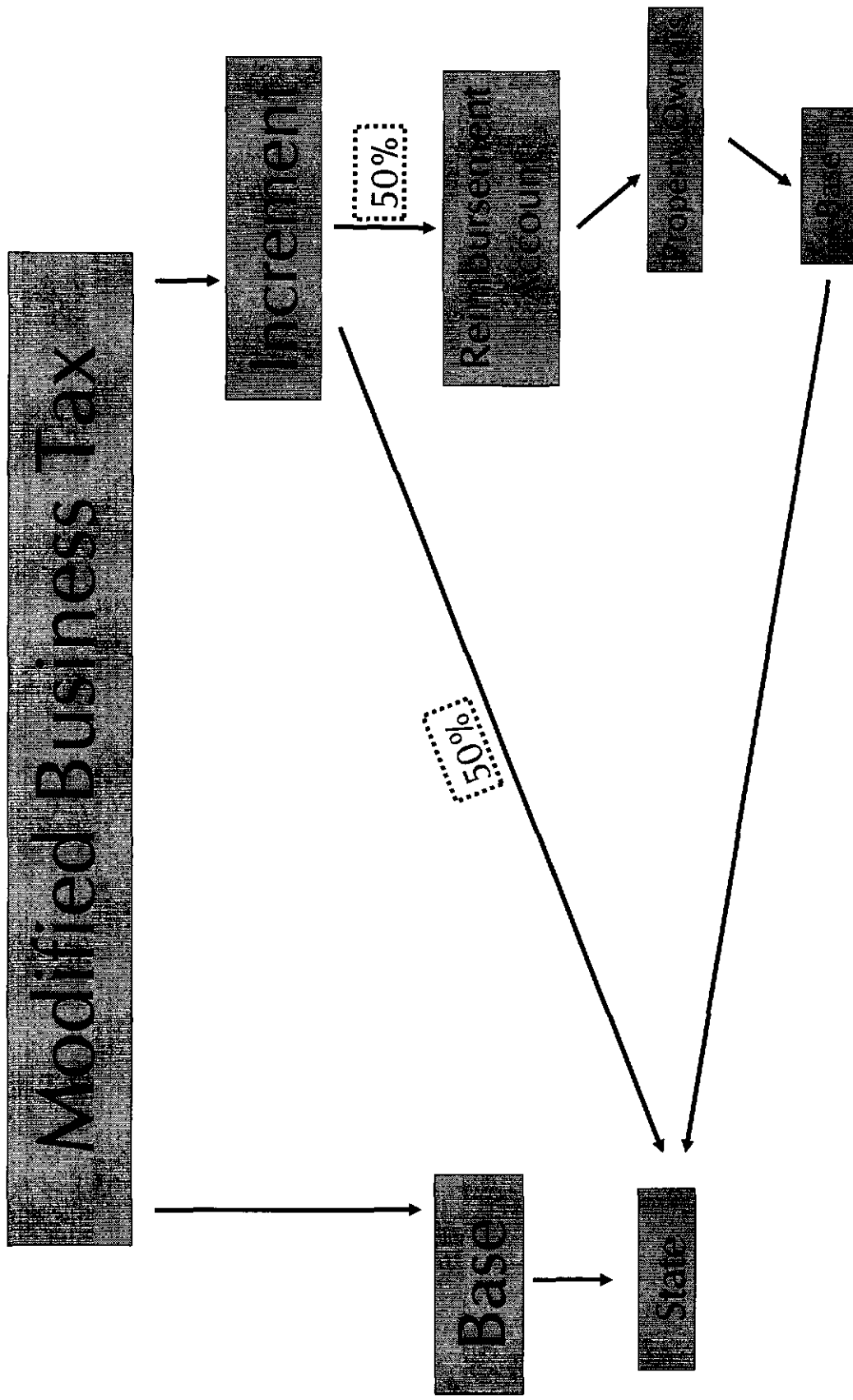
Since the last meeting:

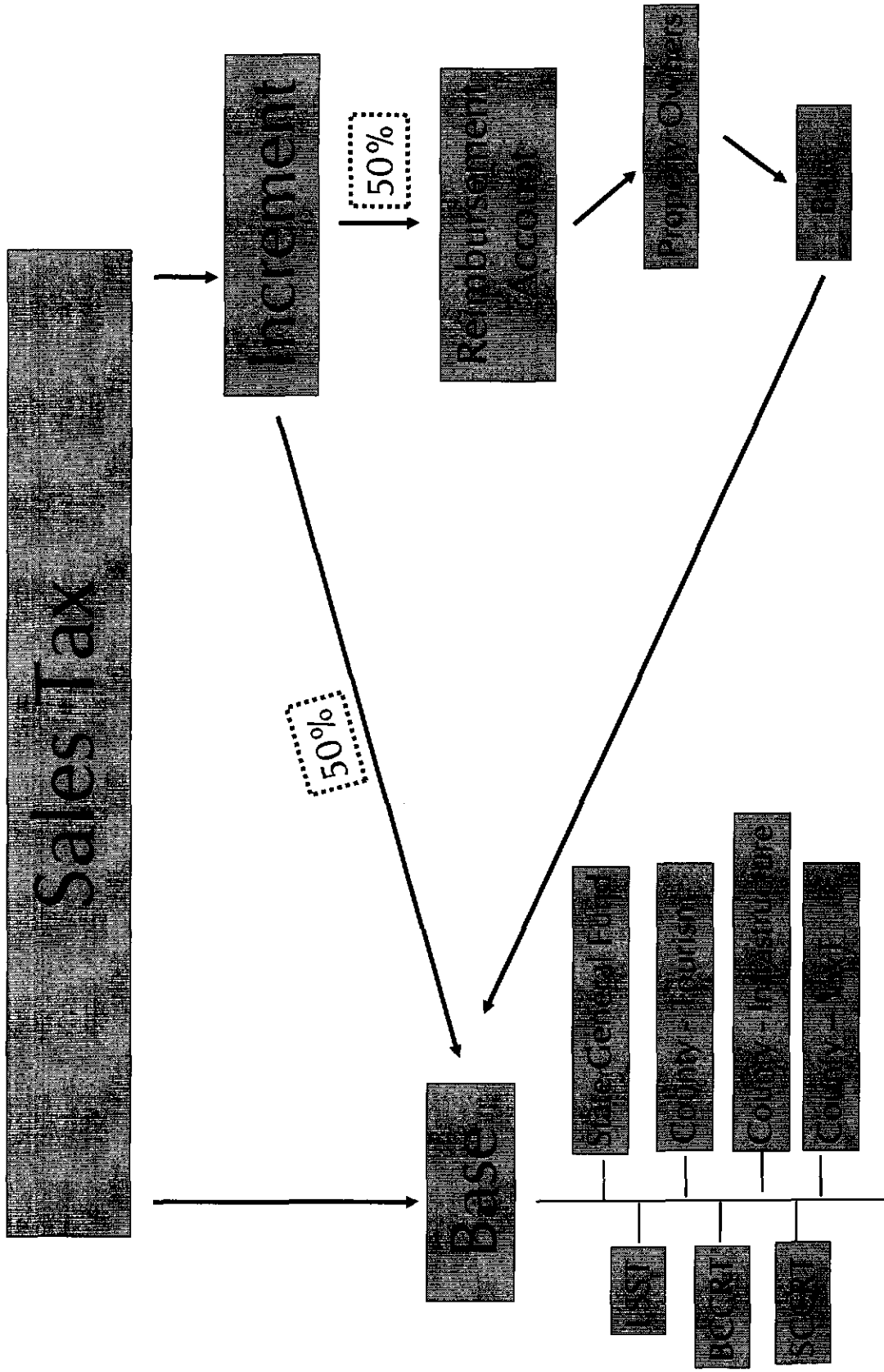
- Received GOED approval (August 14th)
- Began discussions with the State Treasurer's Office
 - Board of Finance likely to take action October 9th and November 13th
 - Bond sale likely to be held around November 20th
- Appraisal has been received
- Final Engineer's Report has been received
- Began discussions with Department of Taxation on TIA cash flows
- Received projected TIA revenues
 - Provided by Applied Analysis based on development representations from project participants
 - Numbers are subject to change based on actual development timelines
 - Projections were also provided assuming the pipeline is not built

Tax Increment Area

- Formed under NRS 278C
- Redirects revenues in excess of "base" for three different taxes
- Property Tax
 - County (\$1.8514)
 - **School Operating (\$0.75) PROTECTED**
 - **School Debt/Capital (\$0.1447) PROTECTED**
 - County Fire (\$0.5446)
 - State Debt (\$0.17) **\$0.02 PROTECTED**
- **Modified Business Tax – 50% PROTECTED** (State general fund)
- **Sales Tax – 50% PROTECTED**
 - Consolidated Tax (BCCRT and SCCRT)
 - Local School Support Tax
 - County Option (V&T, Infrastructure, Tourism)
 - State General Fund

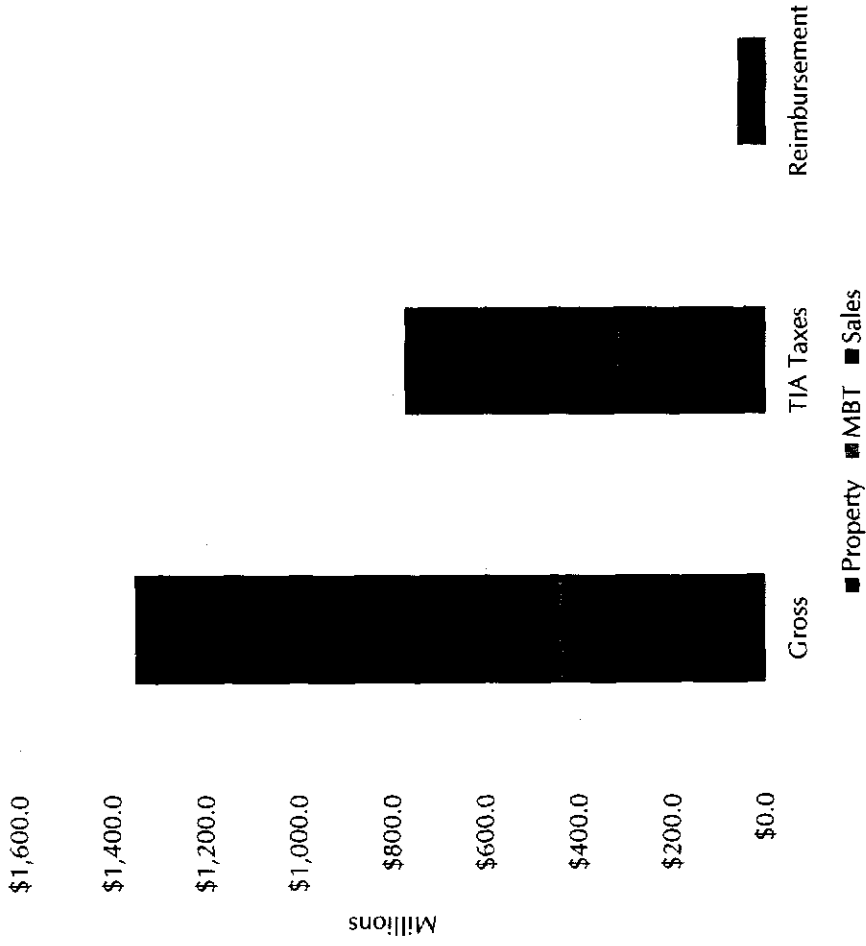






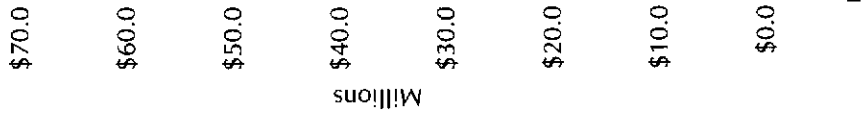
Tax Incremental Area Revenues

- Due to the 50% carve out on MBT and Sales Taxes, Property Taxes contribute the largest proportion of the total taxes due to the TIA.
- Reimbursement is currently calculated to be made proportionally from all revenues sources in the TIA.
- MBT is estimated to cover ~ 1% of the amount reimbursed, Sales Taxes ~ 57% and Property Tax ~ 42%.



Allocation of Reimbursement

- Due to the different ratios that the various taxes represent of the TIA revenues the contribution ratios vary by entity. As a % of Total Taxes Due the percentages are:
 - Fire District: 8.2%
 - State – Debt: 7.2%
 - State – GF: 5.3%
 - County – 5.2%
 - School Operating: 1.8%





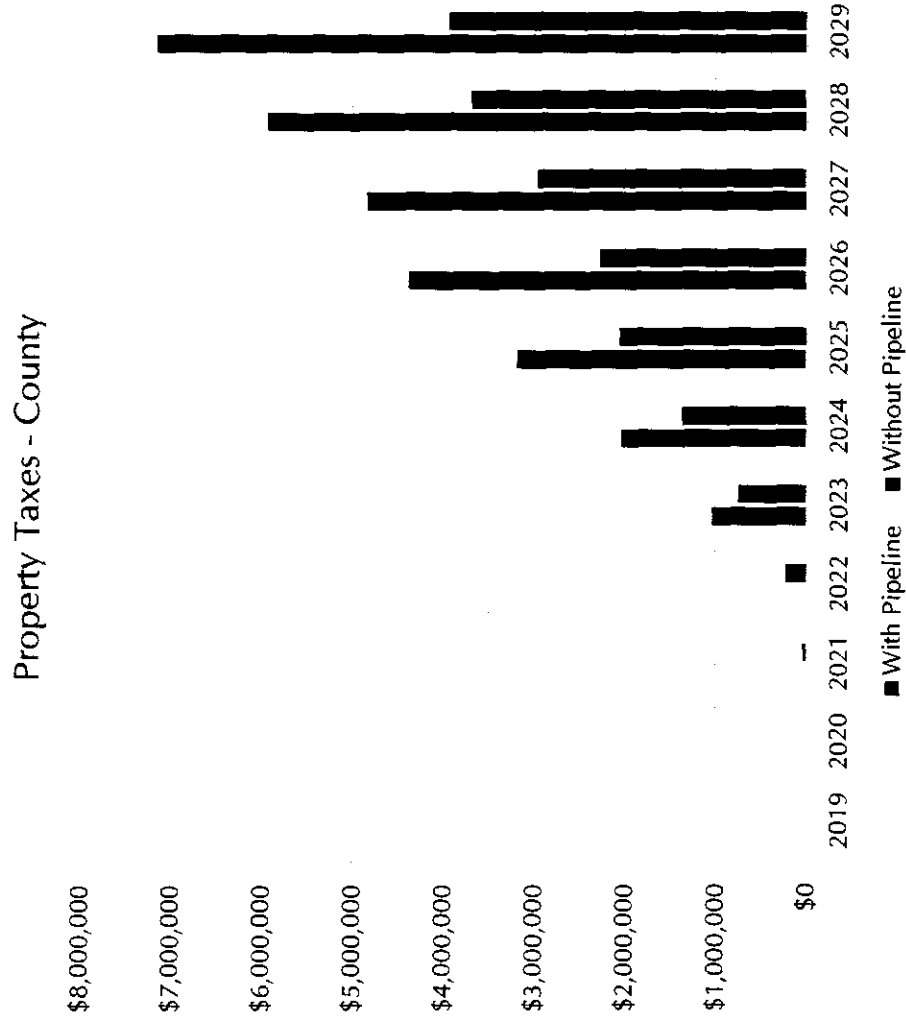
Revenue Comparison

The following table shows the projected annual revenues with and without the pipeline being constructed.

	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29
<u>With Pipeline</u>											
Total Taxes Due	231	234	4,658	7,790	13,090	13,734	21,529	26,510	27,243	35,403	40,625
TIA Revenues	0	4	2,454	4,214	7,554	8,077	12,442	15,488	16,084	20,628	23,796
Reimbursement	0	4	2,454	4,214	4,398	2,457	2,457	2,457	2,457	2,457	2,457
Net Revenues	231	231	2,204	3,575	8,692	11,277	19,072	24,053	24,786	32,946	38,168
<u>Without Pipeline</u>											
Total Taxes Due	231	234	384	1,657	5,031	7,864	10,169	10,436	15,950	18,441	18,847

Property Tax Revenue Comparison

- The County's operating property tax rate is \$1.8514
- Future property tax revenues were estimated based on development projections provided to TRIC representatives with and without the pipeline.
- Over the 25 year life of the bonds, the total property tax revenue if the pipeline **IS** built is estimated to be ~\$210,000,000 net of all reimbursements.
- If the pipeline **IS NOT** built, the total estimated property tax revenue is estimated to be ~\$124,000,000.
- The graph to the right shows the estimated revenue to the County for the next ten fiscal years in excess of the FY2019 base amount of ~\$231,000.





Tax Increment Area Formation

- September 5th: Interim Finance Committee considers TIA
- September 6th: County Commission considers resolution making a provisional order. The resolution will have plans and projected revenues among other items.
- October 2nd: County Commission considers 1st reading of TIA Creation Ordinance and resolution approving reimbursement agreement
- October 16th: County Commission considers 2nd reading of TIA Creation Ordinance



TRIC
Effluent Pipeline
SAD Creation

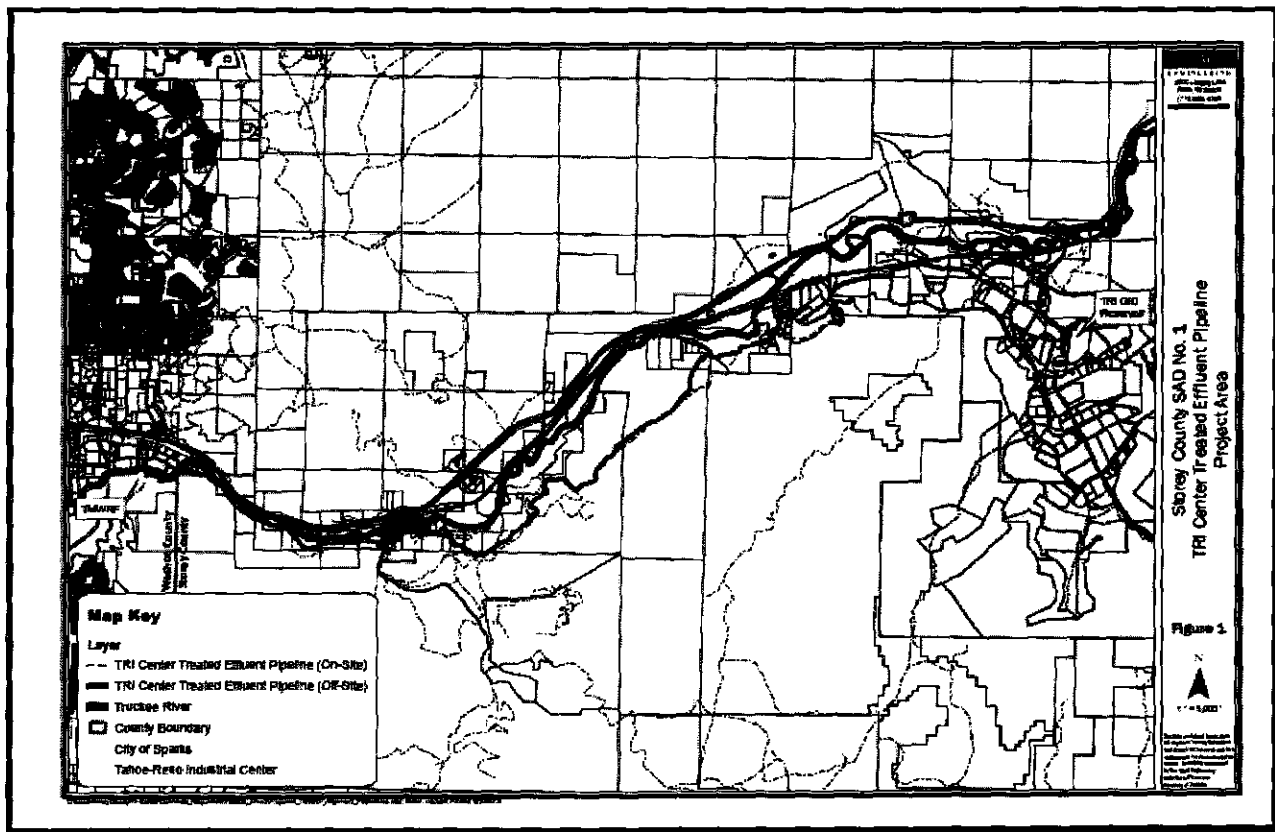
September 2018

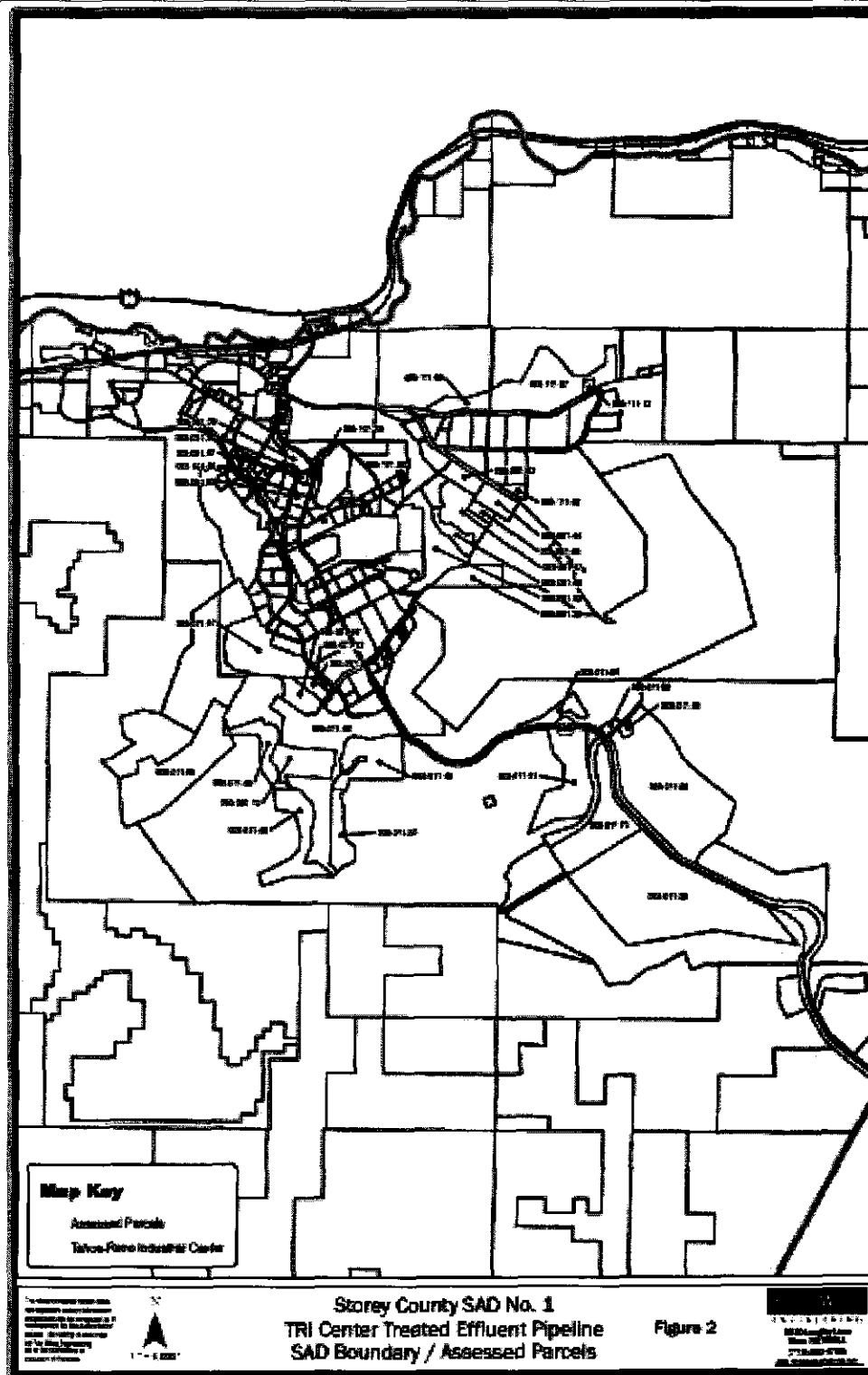


Prepared by
JNA Consulting Group, LLC



Pipeline Project







Costs to be Paid by Assessments

Cost Category	Amount
Construction	\$22,152,579
Engineering, Surveying, Construction Management	\$2,800,000
Temporary and Permanent Easement & Right-of-Way Costs	\$1,000,000
Water Rights Professional Services	\$500,000
Bond Issuance and Related Costs	\$3,147,421
Project Contingency	\$5,400,000
Total	\$35,000,000





Allocation of Assessments

Parcel #	Owner	As-Is Value	Proposed Assessment	Value:Lien	As-If Value	Proposed Assessment	Value:Lien
005-111-12	Blackchains	501,600	705,670	4.75	600,616	705,670	6.44
005-111-66	Blackchains	2,760,600	587,670	4.75	3,745,829	587,670	6.44
005-111-67	Blackchains	9,657,000	2,034,561	4.75	13,103,452	2,034,561	6.44
005-011-01	Blackchains	8,033,900	1,692,602	4.75	10,901,115	1,692,602	6.44
005-011-04	Blackchains	1,462,000	300,706	4.75	1,904,854	300,706	6.44
005-011-50	Google	26,480,000	6,559,220	4.04	51,400,000	6,559,220	7.05
005-011-65	Rene Land	22,099,100	377,509	59.40	23,515,079	377,509	63.30
005-011-66	Rene Land	600,000	10,251	59.40	640,872	10,251	63.30
005-011-70	Rene Land	8,949,000	142,970	59.40	9,049,950	142,970	63.30
005-011-45	Switch	2,500,000	503,955	3.11	4,030,611	503,955	5.01
005-011-46	Switch	4,100,600	1,320,507	3.11	6,620,337	1,320,507	5.01
005-011-48	Switch	15,727,000	5,055,901	3.11	25,347,657	5,055,901	5.01
005-011-49	Switch	670,200	215,455	3.11	1,000,161	215,455	5.01
005-011-50	Switch	300,000	90,951	3.11	496,090	90,951	5.01
005-011-55	Switch	676,200	217,384	3.11	1,009,851	217,384	5.01
005-011-59	Switch	9,739,500	3,131,045	3.11	15,697,431	3,131,045	5.01
005-071-00	Switch	300,200	99,000	3.11	496,735	99,000	5.01
005-071-12	Switch	1,437,700	462,790	3.11	2,317,162	462,790	5.01
005-071-57	Switch	9,753,600	3,135,570	3.11	15,720,157	3,135,570	5.01
005-001-07	Switch	2,005,700	644,790	3.11	3,232,644	644,790	5.01
005-001-10	Switch	7,201,600	2,315,763	3.11	11,607,025	2,315,763	5.01
005-091-29	Tesla	659,000	310,733	2.07	1,871,539	310,733	5.00
005-091-42	Tesla	2,668,100	1,250,026	2.07	7,577,321	1,250,026	5.00
005-091-44	Tesla	2,973,900	1,435,651	2.07	8,445,753	1,435,651	5.00
005-091-45	Tesla	159,000	77,144	2.07	453,827	77,144	5.00
005-091-47	Tesla	406,700	196,335	2.07	1,155,015	196,335	5.00
005-091-49	Tesla	176,100	85,072	2.07	500,116	85,072	5.00
005-091-52	Tesla	591,100	285,354	2.07	1,678,706	285,354	5.00
005-111-40	Tesla	1,061,100	572,246	2.07	3,013,491	572,246	5.00
005-051-29	Emerald City	2,003,000	347,262	5.77	3,327,365	347,262	9.50
005-051-30	Emerald City	164,700	28,543	5.77	273,459	28,543	9.50
005-051-53	Emerald City	1,275,300	221,012	5.77	2,117,671	221,012	9.50
005-051-57	Emerald City	442,600	76,703	5.77	734,950	76,703	9.50
005-101-36	Emerald City	3,011,000	521,012	5.77	4,999,049	521,012	9.50
005-101-39	Emerald City	192,500	33,361	5.77	319,652	33,361	9.50
005-101-40	Emerald City	631,200	109,380	5.77	1,048,125	109,380	9.50
Total		150,962,600	34,842,579	4.33	240,362,602	34,842,579	6.90
			maximum	59.40		maximum	63.30
			minimum	2.07		minimum	5.01
			average	0.35		average	11.23





Sources and Uses of Funds

Assessment Date	09/28/18
First Assessment Payment	04/01/19
Bond Dated Date	12/05/18
First Bond Payment	06/01/19

True Interest Cost	3.751%
Arbitrage Yield	3.676%
Effective Interest Rate	4.751%
Assessment Rate	5.000%
Highest Bond Rate	4.000%

Amount Assessed	34,842,579
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Project Costs

Construction	22,152,579
Engineering/Const Mgmt	2,800,000
Easements/ROW Costs	1,000,000
Water Right Services	500,000
Project Contingency	5,400,000
Reserve Fund	2,152,800
Admin Costs (two years)	80,000
Underwriting	278,720
Transaction Costs	485,000
Rounding	<u>1,724</u>
Total	34,850,823

Funding Sources

Par Amount	34,840,000
Premium/Discount	(146,598)
Ryze Renewables	157,421
Additional Cash	<u>0</u>
Total	34,850,823



**Assessment Payment Schedule**

Effective Date				09/28/18
Interest Rate				5.00%
<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
09/28/18				
04/01/19	357,417	505,582	1,242,999	
10/01/19	366,353	562,129	1,228,482	
04/01/20	375,511	552,970	1,228,482	
10/01/20	384,899	543,582	1,228,482	
04/01/21	394,522	533,960	1,228,482	
10/01/21	404,385	524,097	1,228,482	
04/01/22	414,494	513,987	1,228,482	
10/01/22	424,857	503,625	1,228,482	
04/01/23	435,475	493,004	1,228,482	
10/01/23	446,365	482,117	1,228,482	
04/01/24	457,524	470,957	1,228,482	
10/01/24	468,962	459,519	1,228,482	
04/01/25	480,686	447,795	1,228,482	
10/01/25	492,704	435,778	1,228,482	
04/01/26	505,021	423,461	1,228,482	
10/01/26	517,647	410,835	1,228,482	
04/01/27	530,586	397,894	1,228,482	
10/01/27	543,852	384,629	1,228,482	
04/01/28	557,449	371,033	1,228,482	
10/01/28	571,385	357,097	1,228,482	
04/01/29	585,670	342,812	1,228,482	
10/01/29	600,311	328,170	1,228,482	
04/01/30	615,319	313,162	1,228,482	
10/01/30	630,702	297,780	1,228,482	
04/01/31	646,470	282,012	1,228,482	
10/01/31	662,631	265,850	1,228,482	
04/01/32	679,197	249,284	1,228,482	
10/01/32	696,177	232,304	1,228,482	
04/01/33	713,582	214,900	1,228,482	
10/01/33	731,421	197,061	1,228,482	
04/01/34	749,707	178,775	1,228,482	
10/01/34	768,449	160,032	1,228,482	
04/01/35	787,661	140,821	1,228,482	
10/01/35	807,352	121,130	1,228,482	
04/01/36	827,536	100,946	1,228,482	
10/01/36	848,224	80,257	1,228,482	
04/01/37	869,430	59,052	1,228,482	
10/01/37	891,166	37,316	1,228,482	
04/01/38	913,445	15,037	1,228,482	
10/01/38	936,281	292,201	1,228,482	
04/01/39	959,688	268,794	1,228,482	
10/01/39	983,680	244,802	1,228,482	
04/01/40	1,008,272	220,210	1,228,482	
10/01/40	1,033,479	195,003	1,228,482	
04/01/41	1,059,316	169,166	1,228,482	
10/01/41	1,085,799	142,683	1,228,482	
04/01/42	1,112,944	115,538	1,228,482	
10/01/42	1,140,767	87,714	1,228,482	
04/01/43	1,169,287	59,195	1,228,482	
10/01/43	1,198,519	29,963	1,228,482	
	34,842,579	26,596,021	61,438,600	





Bond Payment Schedule

Effective Date Effective Interest Rate						12/05/18 5.00%
Date	Principal	Coupon	Interest	Total Debt Service	Bond Year Debt Service	
12/05/18						
06/01/19			584,161	584,161		
12/01/19	950,000	2.500%	597,438	1,547,438	2,131,599	
06/01/20			585,563	585,563		
12/01/20	970,000	2.500%	585,563	1,555,563	2,141,125	
06/01/21			573,438	573,438		
12/01/21	995,000	2.500%	573,438	1,568,438	2,141,875	
06/01/22			561,000	561,000		
12/01/22	1,020,000	2.500%	561,000	1,581,000	2,142,000	
06/01/23			548,250	548,250		
12/01/23	1,045,000	2.500%	548,250	1,593,250	2,141,500	
06/01/24			535,188	535,188		
12/01/24	1,075,000	3.000%	535,188	1,610,188	2,145,375	
06/01/25			519,063	519,063		
12/01/25	1,110,000	3.000%	519,063	1,629,063	2,146,125	
06/01/26			502,413	502,413		
12/01/26	1,140,000	3.000%	502,413	1,642,413	2,144,825	
06/01/27			485,313	485,313		
12/01/27	1,175,000	3.000%	485,313	1,660,313	2,145,625	
06/01/28			467,688	467,688		
12/01/28	1,210,000	3.000%	467,688	1,677,688	2,145,375	
06/01/29			449,538	449,538		
12/01/29	1,245,000	3.250%	449,538	1,694,538	2,144,875	
06/01/30			429,306	429,306		
12/01/30	1,285,000	3.250%	429,306	1,714,306	2,143,613	
06/01/31			408,425	408,425		
12/01/31	1,330,000	3.500%	408,425	1,738,425	2,146,850	
06/01/32			385,150	385,150		
12/01/32	1,375,000	3.500%	385,150	1,760,150	2,145,300	
06/01/33			361,088	361,088		
12/01/33	1,425,000	3.500%	361,088	1,786,088	2,147,175	
06/01/34			336,150	336,150		
12/01/34	1,475,000	3.500%	336,150	1,811,150	2,147,300	
06/01/35			310,338	310,338		
12/01/35	1,525,000	3.500%	310,338	1,835,338	2,145,675	
06/01/36			283,650	283,650		
12/01/36	1,580,000	3.750%	283,650	1,863,650	2,147,300	
06/01/37			254,025	254,025		
12/01/37	1,640,000	3.750%	254,025	1,894,025	2,148,050	
06/01/38			223,275	223,275		
12/01/38	1,700,000	3.750%	223,275	1,923,275	2,146,550	
06/01/39			191,400	191,400		
12/01/39	1,770,000	4.000%	191,400	1,961,400	2,152,800	
06/01/40			156,000	156,000		
12/01/40	1,840,000	4.000%	156,000	1,996,000	2,152,000	
06/01/41			119,200	119,200		
12/01/41	1,910,000	4.000%	119,200	2,029,200	2,145,400	
06/01/42			81,000	81,000		
12/01/42	1,985,000	4.000%	81,000	2,066,000	2,147,000	
06/01/43			41,300	41,300		
12/01/43	2,065,000	4.000%	41,300	2,106,300	2,147,600	
	34,840,000		18,797,111	53,637,111	53,637,111	



**Bond Pricing Schedule**

<u>Date</u>	<u>Principal</u>	<u>Coupon</u>	<u>Yield</u>	<u>Price</u>	<u>Production</u>
12/05/18					
12/01/19	950,000	2.500%	1.930%	100.555	955,273
12/01/20	970,000	2.500%	2.090%	100.794	977,702
12/01/21	995,000	2.500%	2.230%	100.776	1,002,721
12/01/22	1,020,000	2.500%	2.360%	100.529	1,025,396
12/01/23	1,045,000	2.500%	2.490%	100.046	1,045,481
12/01/24	1,075,000	3.000%	2.640%	101.981	1,096,296
12/01/25	1,110,000	3.000%	2.770%	101.452	1,126,117
12/01/26	1,140,000	3.000%	2.940%	100.424	1,144,834
12/01/27	1,175,000	3.000%	3.060%	99.531	1,169,489
12/01/28	1,210,000	3.000%	3.180%	98.469	1,191,475
12/01/29	1,245,000	3.250%	3.290%	99.633	1,240,431
12/01/30	1,285,000	3.250%	3.400%	98.532	1,266,136
12/01/31	1,330,000	3.500%	3.510%	99.896	1,328,617
12/01/32	1,375,000	3.500%	3.610%	98.799	1,358,486
12/01/33	1,425,000	3.500%	3.660%	98.166	1,398,866
12/01/34	1,475,000	3.500%	3.700%	97.602	1,439,630
12/01/35	1,525,000	3.500%	3.740%	97.001	1,479,265
12/01/36	1,580,000	3.750%	3.780%	99.610	1,573,838
12/01/37	1,640,000	3.750%	3.820%	99.060	1,624,584
12/01/38	1,700,000	3.750%	3.840%	98.751	1,678,767
12/01/39	1,770,000	4.000%	4.000%	100.000	1,770,000
12/01/40	1,840,000	4.000%	4.000%	100.000	1,840,000
12/01/41	1,910,000	4.000%	4.000%	100.000	1,910,000
12/01/42	1,985,000	4.000%	4.000%	100.000	1,985,000
12/01/43	2,065,000	4.000%	4.000%	100.000	2,065,000

34,840,000

34,693,402

(425,318) (Discount)/Premium Bid

34,414,682 Amount Bid

278,720 Underwriting

34,693,402 Price to Public



**Reserve Fund Cash Flow Schedule**

<u>Date</u>	<u>Deposits</u>	<u>Interest Earnings</u>	<u>Transfers Out</u>	<u>Balance</u>	<u>Reserve Requirement</u>
12/05/18	2,152,800			2,152,800	2,152,800
10/01/19		35,388	(35,388)	2,152,800	2,152,800
10/01/20		43,056	(43,056)	2,152,800	2,152,800
10/01/21		43,056	(43,056)	2,152,800	2,152,800
10/01/22		43,056	(43,056)	2,152,800	2,152,800
10/01/23		43,056	(43,056)	2,152,800	2,152,800
10/01/24		43,056	(43,056)	2,152,800	2,152,800
10/01/25		43,056	(43,056)	2,152,800	2,152,800
10/01/26		43,056	(43,056)	2,152,800	2,152,800
10/01/27		43,056	(43,056)	2,152,800	2,152,800
10/01/28		43,056	(43,056)	2,152,800	2,152,800
10/01/29		43,056	(43,056)	2,152,800	2,152,800
10/01/30		43,056	(43,056)	2,152,800	2,152,800
10/01/31		43,056	(43,056)	2,152,800	2,152,800
10/01/32		43,056	(43,056)	2,152,800	2,152,800
10/01/33		43,056	(43,056)	2,152,800	2,152,800
10/01/34		43,056	(43,056)	2,152,800	2,152,800
10/01/35		43,056	(43,056)	2,152,800	2,152,800
10/01/36		43,056	(43,056)	2,152,800	2,152,800
10/01/37		43,056	(43,056)	2,152,800	2,152,800
10/01/38		43,056	(43,056)	2,152,800	2,152,800
10/01/39		43,056	(43,856)	2,152,000	2,152,000
10/01/40		43,040	(46,640)	2,148,400	2,148,400
10/01/41		42,968	(43,768)	2,147,600	2,147,600
10/01/42		42,952	(42,952)	2,147,600	2,147,600
10/01/43		42,952	(2,190,552)	0	
	2,152,800	1,068,420	(3,221,220)		



**Admin Fund Cash Flow**

<u>Date</u>	<u>Deposits</u>	<u>Transfers In</u>	<u>Interest Earnings</u>	<u>Admin Costs</u>	<u>Balance</u>
12/05/18	80,000				80,000
10/01/19		36,480	1,600	(40,000)	78,080
10/01/20		36,480	1,562	(40,000)	76,122
10/01/21		36,480	1,522	(36,480)	77,644
10/01/22		36,480	1,553	(36,480)	79,197
10/01/23		36,480	1,584	(36,480)	80,781
10/01/24		36,480	1,616	(36,480)	82,396
10/01/25		36,480	1,648	(36,480)	84,044
10/01/26		36,480	1,681	(36,480)	85,725
10/01/27		36,480	1,715	(36,480)	87,440
10/01/28		36,480	1,749	(36,480)	89,189
10/01/29		36,480	1,784	(36,480)	90,972
10/01/30		36,480	1,819	(36,480)	92,792
10/01/31		36,480	1,856	(36,480)	94,648
10/01/32		36,480	1,893	(36,480)	96,541
10/01/33		36,480	1,931	(36,480)	98,471
10/01/34		36,480	1,969	(36,480)	100,441
10/01/35		36,480	2,009	(36,480)	102,450
10/01/36		36,480	2,049	(36,480)	104,499
10/01/37		36,480	2,090	(36,480)	106,589
10/01/38		36,480	2,132	(36,480)	108,720
10/01/39		36,480	2,174	(36,480)	110,895
10/01/40		36,480	2,218	(36,480)	113,113
10/01/41		36,480	2,262	(36,480)	115,375
10/01/42		0	2,307	(36,480)	81,202
10/01/43		0	1,624		82,826
	80,000	839,040	46,346	(882,560)	





SAD Cash Flow Schedule

Date	Assessment Payments	Reserve Fund Transfers	Interest Earnings	Bond Premiums (2 mth lag)	Admin Cost Transfer	Balance	Next Year Debt Service
09/28/10							
04/01/19	1,242,999			(594,161)		658,838	
10/01/19	1,228,482	35,388	4,392	(1,547,438)	(36,480)	343,193	2,141,125
04/01/20	1,228,482		2,208	(595,563)		968,390	
10/01/20	1,228,482	43,056	6,589	(1,555,563)	(36,480)	674,475	2,141,875
04/01/21	1,228,482		4,486	(573,438)		1,334,015	
10/01/21	1,228,482	43,056	6,083	(1,568,438)	(36,480)	1,009,529	2,142,000
04/01/22	1,228,482		6,730	(561,000)		1,683,741	
10/01/22	1,228,482	43,056	11,225	(1,581,000)	(36,480)	1,349,023	2,141,500
04/01/23	1,228,482		8,993	(540,250)		2,088,246	
10/01/23	1,228,482	43,056	13,508	(1,593,250)	(36,480)	1,683,644	2,145,375
04/01/24	1,228,482		11,291	(535,188)		2,398,229	
10/01/24	1,228,482	43,056	15,908	(1,610,188)	(36,480)	2,089,066	2,146,125
04/01/25	1,228,482		13,594	(519,063)		2,762,101	
10/01/25	1,228,482	43,056	16,414	(1,629,063)	(36,480)	2,386,510	2,144,825
04/01/26	1,228,482		15,910	(502,413)		3,128,499	
10/01/26	1,228,482	43,056	20,857	(1,642,413)	(36,480)	2,741,991	2,145,625
04/01/27	1,228,482		16,200	(485,313)		3,509,440	
10/01/27	1,228,482	43,056	23,356	(1,660,313)	(36,480)	3,101,541	2,145,375
04/01/28	1,228,482		20,677	(467,688)		3,883,013	
10/01/28	1,228,482	43,056	25,887	(1,677,688)	(36,480)	3,466,269	2,144,075
04/01/29	1,228,482		23,108	(449,538)		4,268,322	
10/01/29	1,228,482	43,056	28,465	(1,694,538)	(36,480)	3,837,296	2,143,613
04/01/30	1,228,482		25,582	(429,306)		4,662,055	
10/01/30	1,228,482	43,056	31,000	(1,714,306)	(36,480)	4,213,247	2,146,050
04/01/31	1,228,482		26,093	(408,425)		5,062,036	
10/01/31	1,228,482	43,056	33,747	(1,738,425)	(36,480)	4,592,416	2,145,300
04/01/32	1,228,482		30,616	(385,150)		5,466,363	
10/01/32	1,228,482	43,056	36,442	(1,760,150)	(36,480)	4,977,713	2,147,175
04/01/33	1,228,482		33,185	(361,088)		5,878,292	
10/01/33	1,228,482	43,056	39,189	(1,786,088)	(36,480)	5,366,451	2,147,300
04/01/34	1,228,482		35,776	(336,150)		6,294,559	
10/01/34	1,228,482	43,056	41,964	(1,811,150)	(36,480)	5,760,439	2,145,675
04/01/35	1,228,482		38,403	(310,338)		6,716,977	
10/01/35	1,228,482	43,056	44,700	(1,835,338)	(36,480)	6,161,477	2,147,300
04/01/36	1,228,482		41,077	(283,658)		7,147,396	
10/01/36	1,228,482	43,056	47,649	(1,863,658)	(36,480)	6,566,442	2,148,050
04/01/37	1,228,482		43,776	(254,025)		7,584,675	
10/01/37	1,228,482	43,056	50,566	(1,894,025)	(36,480)	6,976,273	2,146,550
04/01/38	1,228,482		46,508	(223,275)		8,027,998	
10/01/38	1,228,482	43,056	53,520	(1,923,275)	(36,480)	7,393,290	2,152,800
04/01/39	1,228,482		49,289	(191,408)		8,479,661	
10/01/39	1,228,482	43,056	56,531	(1,961,408)	(36,480)	7,818,449	2,152,000
04/01/40	1,228,482		52,071	(156,000)		8,935,202	
10/01/40	1,228,482	46,640	59,568	(1,996,000)	(36,480)	8,237,412	2,145,400
04/01/41	1,228,482		54,916	(119,200)		9,401,609	
10/01/41	1,228,482	43,760	62,677	(2,029,200)	(36,480)	8,670,856	2,147,000
04/01/42	1,228,482		57,806	(81,000)		9,876,144	
10/01/42	1,228,482	42,952	65,841	(2,066,000)	0	9,147,416	2,147,600
04/01/43	1,228,482		60,983	(41,300)		10,395,583	
10/01/43	1,228,482	2,190,552	69,304	(2,106,300)	0	11,777,620	
	61,438,600	3,221,220	1,593,951	(53,637,111)	(839,040)		





Storey County Board of County Commissioners Agenda Action Report

Meeting date: October 2, 2018
Agenda Item Type: Regular Agenda

Estimate of Time Required: 0-5 min.

1. **Title:** Approval of minutes for September 6, 2018.
2. **Recommended motion:** Approve minutes as submitted.
3. **Prepared by:** Vanessa Stephens

Department: Clerk

Contact Number: 847.0969

4. **Staff Summary:** Minutes are attached.
5. **Supporting Materials:** See attached
6. **Fiscal Impact:** 0
7. **Legal review required:** No
8. **Reviewed by:**



Department Head

Department Name: Clerk

____ County Manager

Other Agency Review: _____

9. **Board Action:**

<input type="checkbox"/> Approved	<input type="checkbox"/> Approved with Modification
<input type="checkbox"/> Denied	<input type="checkbox"/> Continued



STOREY COUNTY BOARD OF COUNTY COMMISSIONERS MEETING

THURSDAY, SEPTEMBER 6, 2018 10:00 A.M.

DISTRICT COURTROOM

26 SOUTH B STREET, VIRGINIA CITY, NEVADA

MINUTES

MARSHALL MCBRIDE
CHAIRMAN

ANNE LANGER
DISTRICT ATTORNEY

LANCE GILMAN
VICE-CHAIRMAN

JACK MCGUFFEY
COMMISSIONER

VANESSA STEPHENS
CLERK-TREASURER

ROLL CALL: Chairman McBride, Vice-Chairman McGuffey, Commissioner Gilman, County Manager Pat Whitten, Clerk/Treasurer Vanessa Stephens, Comptroller Hugh Gallagher, Deputy District Attorney Keith Loomis, Planning Director/ Administrative Officer Austin Osborne

1. CALL TO ORDER SPECIAL 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 September 6, 2018.

Commissioner Gilman recused himself from items 6 and 7 due to having a pecuniary interest in the Tahoe Reno Industrial Center.

Public Comment:

None

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

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

None

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

Vice Chairman McGuffey:

- Welcome Mike Northan as a full time member of the Storey County team; he has done a great job.

6. DISCUSSION/POSSIBLE ACTION: Discussion and possible action on resolution 18-512 directing the county's engineer to prepare preliminary plans, cost estimates and related items to reimburse the costs of an undertaking for a tax increment area formed pursuant to Nevada Revised Statutes chapter 278C.

Mr. Whitten introduced the team involved in this item: Randy Alleman, Emerald Lakes Empire; Elise Porto, Switch; Brian Gordon, Applied Analysis; Attorney Bob Sader; Ryan Henry, Sherman & Howard; and Marty Johnson, JNA Consulting Group.

Mr. Johnson explained this Resolution calls for the engineer's to do the plans for the Tax Increment Area - essentially the same plans as in the Special Assessment District. Project costs were reviewed at the Commission meeting on June 4th.

No public comment.

Chairman McBride read the title of the resolution into the record: Resolution 18-512, a resolution directing the county's engineer to prepare preliminary plans, cost estimates and related items to reimburse the costs of an undertaking for a tax increment area formed pursuant to Nevada Revised Statutes chapter 278C.

Motion: I make a motion to approve Resolution 18-512, directing the county's engineer to prepare preliminary plans, cost estimates and related items to reimburse the costs of an undertaking for a tax increment area formed pursuant to Nevada Revised Statutes chapter 278C, **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Chairman McBride, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=2)

7. DISCUSSION/POSSIBLE ACTION: Discussion and possible action on resolution 18-513 provisionally ordering an undertaking for a tax increment area formed pursuant to Nevada Revised Statutes chapter 278C; setting a time and place for a hearing on the undertaking; and providing other matters related thereto.

Marty Johnson said this Resolution starts the process in creating the tax increment area (TIA). This was approved by the Interim Finance Committee (IFC) yesterday.

Mr. Johnson reviewed the definition of the TIA which has been discussed at previous meetings. The increment generated in the TIA is over and above what is currently generated today. Multiple local governments in the State are participating in the reimbursement.

Mr. Whitten recapped the critical items from the IFC meeting yesterday. The State is, and should be, a vital participant in the TIA.

Chairman McBride commented that the vote at the IFC meeting was a 3 or 4 "no vote" and approximately 30 yes votes, and it was passed with no conditions. They had all previously voted on and approved SB1 in the Legislature. SB1 contained this water issue.

Mr. Whitten added that there was one condition placed - that was the \$35 million cap.

Public Comment:

Sam Toll, Gold Hill resident: Stated he supports the pipeline and what it represents. He opposes the commitment of any future tax revenue to benefit the businesses. With the passing of the TIA, we will have committed over \$200 million for the TRI project since inception. Mr. Toll discussed the abatements given to businesses in TRI. Mr. Toll asked when will the economic development on the taxpayers and the State's part need to end. He stated, once again, opposition to the formation of the increment area.

Nicole Barde, Storey County resident: Commented she is collecting signatures of people and their stand on this project at meetings she is holding.

Chairman McBride read the title: A resolution provisionally ordering an undertaking for a tax increment area formed pursuant to Nevada Revised Statutes chapter 278C setting a time and place for a hearing on the undertaking, and providing other matters related thereto.

Motion: I make a motion to approve Resolution 18-513, provisionally ordering an undertaking for a tax increment area formed pursuant to Nevada Revised Statutes chapter 278C setting a time and place for a hearing on the undertaking, and providing other matters related thereto, **Action:** Approve, **Moved by:** Vice Chairman McGuffey, **Seconded by:** Chairman McBride, **Vote:** Motion carried by unanimous vote, (**Summary:** Yes=2)

8. PUBLIC COMMENT (No Action)

Sam Toll, Gold Hill Resident: Once again, requests that Public Comment be moved to the beginning and the end of the meetings.

9. ADJOURNMENT

Chairman McBride adjourned the meeting at 10:15 A.M.

Respectfully submitted,

By: Vanessa Stephens
Vanessa Stephens Clerk-Treasurer



Storey County Board of County Commissioners Agenda Action Report

Meeting date: October 2, 2018
Agenda Item Type: Consent Agenda

Estimate of Time Required: 0-5 min.

1. **Title:** For possible action, Approval of payroll claims in the amount of \$629,867.24 and accounts payable claims in the amount of \$2,489,987.18.
2. **Recommended motion:** Approve as part of the Consent Agenda.
3. **Prepared by:** Vanessa Stephens

Department: Treasurer

Contact Number: 775.847.0969

4. **Staff Summary:** Attached.
5. **Supporting Materials:** See attached
6. **Fiscal Impact:** 0
7. **Legal review required:** No
8. **Reviewed by:**

☒ Department Head

Department Name: Treasurer

☐ County Manager

Other Agency Review: _____

9. **Board Action:**

<input type="checkbox"/> Approved	<input type="checkbox"/> Approved with Modification
<input type="checkbox"/> Denied	<input type="checkbox"/> Continued

STOREY COUNTY PAYROLL SYSTEM
Check Register

Rept: PR0510A
Run: 09/10/18 16:24:14

Payroll Type: Special
Payroll Groups: 6
Check Date: 09/10/18
Period-end Date: 09/02/18

Check/ DD #	Emp #/ Ded #	Payee	Amount
----------------	-----------------	-------	--------

Total User Transfer for EFTPS:			117.04
Total Deductor Checks:			.00
Total Employee Checks:			706.48
Total Employee Direct Deposit:			.00
Total Employee Deds Xferd on Dir Dep File:			.00
Total User Transfer to Deductor:			28.07
Total Disbursed:			851.59

Approved by the Storey County Board of Commissioners: _____

CHAIRMAN	COMMISSIONER	COMMISSIONER
_____	_____	_____
COMPTROLLER	_____	_____
_____	_____	_____
TREASURER	_____	_____

STOREY COUNTY PAYROLL SYSTEM
Check Register

Rept: PR0510A
Run: 09/10/18 15:54:11

Payroll Type: Deductor Check Date: 09/10/18

Check/ DD #	Emp #/ Ded #	Payee	Amount
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Total User Transfer for EFTPS:			.00
Total Deductor Checks:			70,493.23

Approved by the Storey County Board of Commissioners: _____

CHAIRMAN	COMMISSIONER	COMMISSIONER
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COMPTROLLER

TREASURER

STOREY COUNTY PAYROLL SYSTEM
Check Register

Rept: PR0510A
Run: 09/10/18 15:18:26

Payroll Type: Deductor Check Date: 09/10/18

Check/ DD #	Emp #/ Ded #	Payee	Amount
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Total User Transfer for EFTPS:			.00
Total Deductor Checks:			151,776.80

Approved by the Storey County Board of Commissioners: _____

CHAIRMAN	COMMISSIONER	COMMISSIONER
_____	_____	_____
COMPTROLLER	_____	_____
_____	_____	_____
TREASURER	_____	_____

STOREY COUNTY PAYROLL SYSTEM
Check Register

Rept: PR0510A
Run: 09/19/18 13:27:51

Period-end Date: 09/16/18

Check Date: 09/21/18

Payroll Type: Regular

Payroll Groups: 1 2 3 4 5 6 7 8 9

Check/ DD #	Emp #/ Ded #	Payee	Amount
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Total User Transfer for EFTPS:	56,133.11
Total Deductor Checks:	17,201.82
Total Employee Checks:	853.48
Total Employee Direct Deposit:	311,355.31
Total Employee Deds Xferd on Dir Dep File:	16,796.93
Total User Transfer to Deductor:	4,398.97
Total Disbursed:	406,745.62

Approved by the Storey County Board of Commissioners: _____

CHAIRMAN	COMMISSIONER	COMMISSIONER
_____	_____	_____
COMPTROLLER	_____	_____
_____	_____	_____
TREASURER	_____	_____

Report No: PB1315
Run Date : 09/13/18

STOREY COUNTY
CHECK REGISTER 9/14/18

CHECK NUMBER	VENDOR	INVOICE DESCRIPTION	P/O #	DATE	TRANS#	AMOUNT	CHECK TOTAL
93096	BRANDON, RUSSELL D	DISINFECTANT & ANTACIDS		9/14/18	85991	83.79	83.79
93097	BURRELL, SCOTT LEWIS	PUBLIC ADMINISTRATOIN		9/14/18	86041	60.00	60.00
93098	BURTON'S FIRE INC	8/24/18 -9/6/18		9/14/18	85967	85.50	603.00
				9/14/18	85967	517.50	
93099	CANYON GENERAL IMPROVEMEN	OG SWITCH REPLACEMENT		9/14/18	85943	141.51	605.49
		REPAIR KIT		9/14/18	85943	463.98	
93100	CASELLE INC	LOCKWOOD GARDEN WATER		9/14/18	85951	12.15	68.35
		LOCKWOOD SUB WATER/SEWER		9/14/18	85923	56.20	
93101	CELLCO PARTNERSHIP	OCT SUPPORT		9/14/18	85883	202.00	202.00
93102	CENTRAL SANITARY SUPPLY	V&TRAILWAY PHONE SERVICE		9/14/18	86059	283.07	283.07
93103	CERTIFIED FOLDER DISPLAY	INMATE TP		9/14/18	85928	113.98	113.98
93104	CHARM-TEX	PRINT MEDIA DISTRIBUTION		9/14/19	86057	852.36	852.36
93105	CITY OF CARSON CITY	MOP HANDLE		9/14/18	85924	65.68	65.68
93106	CITY OF CARSON TREASURER	WATER@EAST GATE DEPOT		9/14/18	86062	265.07	265.07
93107	CMC TIRE INC	STOREY CO DRUG COURT FEES		9/14/18	86027	10.00	10.00
93108	COLLECTION SERVICE OF NEV	SO62213- ADDL		9/14/18	85879	18.00	36.00
		SO68576-ADDL		9/14/18	85879	18.00	
		GARNISHMENT DISBURSED		9/14/18	85925	299.39	
		GARNISHMENT DISBURSED		9/14/18	85925	299.39	
		GARNISHMENT DISBURSED		9/14/18	85925	26.85	
		GARNISHMENT DISBURSED		9/14/18	85925	493.92	
		GARNISHMENT DISBURSED		9/14/18	85925	237.12	
		GARNISHMENT DISBURSED		9/14/18	85925	217.72	1,574.39
93109	COLLINS CONSTRUCTION	ST.MARYS PORCH HPF GRANT		9/14/18	85953	32,895.78	32,895.78
93110	COMMUNITY CHEST INC	SEPT2018 PROGRAM SUPPORT		9/14/18	85955	15,791.00	15,791.00
93111	COMSTOCK CEMETERY FOUNDAT	HPF CEMETERY PROJECT		9/14/18	85939	3,500.00	3,500.00
93112	COMSTOCK CHRONICLE (VC)	ORDINANCE 18-285		9/14/18	85916	229.50	
		ORDINANCE 18-288		9/14/18	85916	216.76	
		ORDINANCE 18-286		9/14/18	85916	216.76	
		ORDINANCE 18-286		9/14/18	85916	153.00	
		ORDINANCE 18-285		9/14/18	85916	153.00	
		ORDINANCE 18-288		9/14/18	85916	153.00	
		NOTICE OF ELECTION		9/14/18	85916	1,020.00	
		NOTICE TO TAX PAYERS		9/14/18	85916	184.88	
		PUBLIC NOTICE RD ABNDMNT		9/14/18	86009	108.38	
		PUBLIC NOTICES FLOOD		9/14/18	86036	344.26	
				9/14/18	85899	160.00	2,939.54
93113	COMSTOCK GOLD MILL LLC			9/14/18	85970	22.50	

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93114	CONNELL, RICHARD	8/24/18 - 9/6/18		9/14/18	85970	9.00	31.50
93115	CRAIG, ELISE	8/24/18 - 9/6/18		9/14/18	85990	22.00	22.00
93116	DAIHS USA INC	MULT APN		9/14/18	85935	10.00	10.00
		ST 72 WATER		9/14/18	85947	73.95	
		ST 71 WATER		9/14/18	85947	30.95	
		ST 75 WATER		9/14/18	85947	36.95	
		ST 74 WATER		9/14/18	85947	30.95	
		CH-WATER		9/14/18	85880	51.90	
		WATER RENTAL		9/14/18	86042	25.95	
		LOCKWOOD WATER SERVICE		9/14/18	85912	25.95	
93117	DUNCAN, CANDY L			9/14/18	85926	82.85	359.45
93118	ELLIOTT AUTO SUPPLY INC	SEPTEMBER RETAINER		9/14/18	86051	3,350.00	3,350.00
		SO62213 AIR FLTR PANL		9/14/18	85884	39.84	
		FR32907 AIR FLTR		9/14/18	85884	119.74	
		FR32907 AIR FLTR		9/14/18	85884	119.74	
		COMDEV66610 OIL FLTR		9/14/18	85884	194.71	
		COMDEV AUTO TRANS/FLTR		9/14/18	85884	19.28	
		SOBRAKE CLEAN		9/14/18	85884	60.48	
		COMDEV66610 LUBE FLTR		9/14/18	85884	3.66	
		SO62214 WHEL HUB		9/14/18	85884	260.00	
		SO62214 BRAKE ROTR/PADS		9/14/18	85884	242.64	
		COMDEV66610 AIR FLTR PNL		9/14/18	85884	12.49	
		COMDEV66610 LUBE FLTR		9/14/18	85884	3.66	1,076.24
93119	EWING IRRIGATION PRODUCTS	BRASS HEX BUSHNG		9/14/18	85881	34.40	
93120	FARMER BROS CO	PVC ADPTR/NIPPL		9/14/18	85881	4.67	39.07
93121	FARR WEST ENGINEERING	COFFEE- LOCKWOOD		9/14/18	86023	125.14	125.14
		O&M MANUAL		9/14/18	85907	895.00	
		SIX MILE CULVERTS		9/14/18	85918	3,008.75	
		TASK#21		9/14/18	85907	4,651.00	
		TASK ORDER #27		9/14/18	85918	2,581.25	
		TASK ORDER #11		9/14/18	85918	3,038.75	
		PHASE II - NOXIOUS WEEDS		9/14/18	85918	2,923.53	
		REQUEST #32		9/14/18	85918	107,961.71	125,059.99
93122	FCC COMMUNICATIONS, LLC	REPAIRS CH PHONE FIREWALL		9/14/18	86019	440.00	
93123	FERGUSON ENTERPRISES INC	REPAIRS CH PHONE FIREWALL		9/14/18	86019	198.00	638.00
93124	FLAG STORE OF NEV INC-THE	4 BURY HYDRANT		9/14/18	85882	2,350.00	2,350.00
93125	GLADDING, EDWARD A.	FLAGS		9/14/18	85949	141.90	141.90
		9/11/18 16137CR BLACK		9/14/18	86066	5,000.00	
		9/11/18 SCDA ADMIN		9/14/18	86066	5,136.00	10,136.00
93126	CONSALVES & SANTUCCI INC	REFUND TAXES		9/14/18	85933	4,829.22	4,829.22
93127	GRAINGER	SHOP CHAIN HOIST		9/14/18	85885	478.37	
		SO62214 RATCHT CRIMPR		9/14/18	85885	57.25	

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93128	GRANSBERRY, TOM						535.62
93129	GTP INVESTMENTS LLC	AUG 27-31, 2018 SEPT 3-7, 2018		9/14/18 9/14/18	86076 86076	450.00 337.50	787.50
93130	HARRY'S BUSINESS MACHINES	POND PEAK UTILITIES POND PEAK TOWER		9/14/18 9/14/18 9/14/18	86022 86022 85962	370.06 40.00 608.33	1,018.39
93131	HAYES + ASSOCIATES, INC			9/14/18	86069	875.00	875.00
93132	HD SUPPLY FACIL MAINT LTD	16137CR-BLACK		9/14/18	86045	339.50	339.50
93133	HELMER, JOHN	STENNER PUMP		9/14/18	86006	1,338.68	1,338.68
93134	HISTORIC FOURTH WARD SCHO	LOCKWOODCENTER CHAIRCLEAN		9/14/18	86035	240.00	240.00
93135	HOME DEPOT CREDIT SERVICE	8/24/18 - 9/6/18		9/14/18	85971	4.00	4.00
93136	HOSE & FITTINGS ETC	VCSC- STEAM TABLE INSTALL		9/14/18	85971	180.00	180.00
93137	INST. ENV HEALTH INC.	FR42553 BRASS LBOWS		9/14/18	85971	202.50	386.50
93138	IRVIN, SHARON	CRYPTO TESTING		9/14/18	85908	790.00	790.00
93139	IT1 SOURCE LLC	OVERPAYMENT		9/14/18	85936	129.53	129.53
93140	JAMES C MCLENNAN MDPC	DIGITAL SHIPPING SCALE		9/14/18	85965	110.98	110.98
93141	JBP LLC	IT RACK PALO ALTO TRANSRECEIVER COM REL TONER CARTRIDGES WINDOWS SERVER LICENSES HELPOESK RENEWAL		9/14/18 9/14/18 9/14/18 9/14/18 9/14/18	85965 85965 85965 85965 85965	287.44 423.20 417.01 1,355.68 518.36	3,112.67
93142	JENTEGARD, JUDITH	SEPT 2018 HEALTH OFFICER		9/14/18	85957	500.00	500.00
93143	JNA CONSULTING GROUP LLC	PW44527 SEAL/TMSETS		9/14/18	85887	218.37	218.37
93144	JUDGE EDWARD R JOHNSON	PKW704 NUTS		9/14/18	85887	24.36	24.36
93145	KEEFE, BRUCE & KAREN	FR42553 BLADE		9/14/18	85887	15.58	15.58
93146	KENNETH L DORR JR SOLE M	FR42553 CR NUT		9/14/18	85887	7.29	7.29
		FR42553 CR NUT CVR		9/14/18	85887	7.79	7.79
		FR42553 CREDIT		9/14/18	85887	7.29	7.29
		PW44527 DRYER AIR		9/14/18	85887	504.39	770.49
93147	KNIGHT, LAURA DENISON	PARK DEPOSIT REFUND		9/14/18	85914	100.00	100.00
		PREP DEBT MGMT PLCY 2019		9/14/18	86037	1,500.00	1,500.00
		11/18		9/14/18	86067	286.36	286.36
		REFUND TAXES		9/14/18	85937	199.33	199.33
		ENGINEERING SERVICES		9/14/18	86055	1,130.81	1,130.81
		ENGINEERING SERVICES		9/14/18	86055	2,339.75	3,470.56

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93148	LAZZARINO, NICHOLAS	LYLE-15133CR		9/14/18	86040	3,626.71	3,626.71
93149	LIFE-ASSIST INC	PELIES		9/14/18	86071	35.97	35.97
93150	MA LABORATORIES INC	AMB SUPPLIES		9/14/18	85954	190.00	190.00
93151	MACKAY MANSION	JC USB HUB AND KEYBOARD		9/14/18	85966	87.55	87.55
93152	MARK TWAIN COMMUNITY CTR	8/24/18 - 9/6/18		9/14/18	85972	52.50	465.00
93153	MARTINEZ, EDWARD & MARNEY	SEPT 2018 PROGRAM SUPPORT		9/14/18	85972	412.50	
93154	HENRY SCHEIN	TAX REFUND		9/14/18	85956	1,666.67	1,666.67
93155	MCCAIN, JENNIFER	AMB SUPPLIES		9/14/18	85940	376.99	376.99
93156	MCCARTHY, TIMOTHY	3 CLASS		9/14/18	86047	168.60	168.60
93157	METRO OFFICE SOLUTIONS IN	2 CLASS		9/14/18	86033	2,025.00	3,375.00
		RTN INDEX FILES		9/14/18	86033	1,350.00	
		SUPPLIES		9/14/18	86068	100.00	100.00
		HICAP.		9/14/18	85909	12.09	
		MISC OFFICE SUPPLIES		9/14/18	86043	111.50	
		DESK ORGANIZER		9/14/18	85903	49.20	
		DRY ERASE BOARD		9/14/18	85903	27.69	
		PW74668 WIRE/CONNECT KIT		9/14/18	86021	197.49	
		FINGERPRINT MACHINE		9/14/18	85909	33.23	
		AUGUST 2018 STATEMENT		9/14/18	85909	96.77	503.79
		REPAIR SUPPLIES		9/14/18	85889	201.06	201.06
		MULTI FEED BAR		9/14/18	85927	4,471.00	4,471.00
		KEYS		9/14/18	86044	5,600.00	5,600.00
		VCTC- TANK LEVER		9/14/18	86030	88.33	
		PARK		9/14/18	86060	291.50	
		AUG WATER PURCHASE		9/14/18	85985	7.96	
		ML RECORDER CERT COPY/DV		9/14/18	85985	103.57	542.80
		JULY CO MATCH, JUNE CREDIT		9/14/18	85917	43.45	
		NEV DEPT HUMAN RESOURCES		9/14/18	85917	10,059.64	10,059.64
		NEV DEPT PUBLIC SAFETY		9/14/18	86073	150.00	
		NEV DEPT HUMAN RESOURCES		9/14/18	86073	165.00	
		NEV DEPT PUBLIC SAFETY		9/14/18	86073	1,149.00	
		NEV DEPT HUMAN RESOURCES		9/14/18	86073	250.00	
		NEV DEPT PUBLIC SAFETY		9/14/18	86073	1,979.50	11,722.50
		NEV DEPT PUBLIC SAFETY		9/14/18	86073	8,429.00	
		NEV DEPT HUMAN RESOURCES		9/14/18	86032	574.00	574.00
		NEV DEPT PUBLIC SAFETY		9/14/18	85919	3,478.09	3,478.09

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93167	NEV DEPT TAXATION	FINGERPRINTS/BACKGROUNDS		9/14/18	85938	1,341.25	1,341.25
93168	NEV DIV ENVIRONMENT PROTE			9/14/18	85998	128.17	128.17
93169	NEV DIV OF FORESTRY	UNPAID PAST PERMIT FEES		9/14/18	86065	1,200.00	1,200.00
93170	NEV PUBLIC AGENCY INS PL	2ND QTR INTERLOCAL PYMT		9/14/18	85959	37,500.00	37,500.00
93171	NEV TREASURER	CL#P243-17-05356-01		9/14/18	86074	3,380.89	3,380.89
93172	NEVADA LEGAL SERVICE INC			9/14/18	86072	35.00	35.00
93173	NEVADA OCCUPATIONAL HLTH	FEES COLLECTED		9/14/18	86028	637.00	637.00
93174	NEVADA SPEEDOMETER SERVIC	INMATE PREPLACEMENT PHYS		9/14/18	85992	266.94	266.94
93175	NEXTEL OF CALIFORNIA INC	NW		9/14/18	85999	115.00	381.94
93176	NORIDIAN MEDICARE	E-72 TACH		9/14/18	85993	232.80	232.80
93177	NORTHERN NEV FIRE CHIEFS	PLANNING COMMISSION		9/14/18	85905	248.94	248.94
93178	NORTHERN NEVADA DEVE AUTH	VOLUNTARY REFUND		9/14/18	85958	627.00	627.00
93179	NORTON CONSULTING LLC	NEVIN/ADKINS/LONCAR/DIXON		9/14/18	85994	300.00	300.00
93180	O'REILLY AUTO ENTERPRISES	FY 18/19		9/14/18	86075	5,000.00	5,000.00
		S D ST SIGNS/POSTS/ANCHOR		9/14/18	85890	1,553.00	1,553.00
		OVERPAYMENT		9/14/18	86076	50-	
		FR32907 OIL FLTR		9/14/18	86076	82.26	
		IT28155 COUPLR/LEAK KIT		9/14/18	86076	205.38	
		SVC WHEEL WEIGHTS00111953		9/14/18	86076	53.22	
		PW74688 RELAT/SOCKT/FUSE		9/14/18	86076	186.64	527.00
93181	OFFICE DEPOT INC	MANILA ENVELOPES		9/14/18	86007	11.05	11.05
93182	ON THE SIDE GRAPHICS & SI	BRUSH 171 STRIPPING		9/14/18	85997	260.00	260.00
93183	OUTFRONT MEDIA LLC	9/17/18 - 10/14/18		9/14/18	86020	644.68	644.68
93184	PAPE MACHINERY	JDTOOTH/ADPTR/PIN/LCK 1/2		9/14/18	85891	20,750.00	20,750.00
93185	PEDLEY KNOWLES & COMPANY	4GAS CALIBRATION GAS		9/14/18	85950	1,172.00	1,172.00
93186	PENGUIN COMMUNICATIONS IN	EDISPATCHES PAGING		9/14/18	86018	1,668.00	1,668.00
93187	PETRINI, ANGELO D	8/24/18 - 9/6/18		9/14/18	85974	80.50	80.50
93188	POSITIVE CONCEPTS, INC	CITATION PAPER		9/14/18	85929	171.56	171.56
93189	PRENTICE, KIM	APN 2-081-15		9/14/18	85934	423.69	423.69
93190	PROTECTION DEVICES INC			9/14/18	85975	30.00	30.00
				9/14/18	85975	120.00	150.00
93191	PUBLIC EMPLOY RETIREMENT						

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93192	RAD STRATEGIES INC	AFRICA, T		9/14/18	85902	2,189.68	2,189.68
		MARKETING		9/14/18	85920	500.00	
		SUPPORT		9/14/18	85920	500.00	
		SOC MEDIA MKTG, OUTREACH		9/14/18	85920	3,000.00	
		PUB ED OUTREACH,SOC MEDIA		9/14/18	85920	2,000.00	6,000.00
93193	RAIL EVENTS INC.	POLAR DECOR/PROPS		9/14/18	86052	1,068.50	
		POLAR DECOR		9/14/18	86052	1,109.00	2,177.50
93194	RAPID SPACE LLC	VCH- RESTROOM RENTAL		9/14/18	85906	140.00	
		MT-RESTROOM RENTAL		9/14/18	85906	140.00	280.00
93195	RAY MORGAN CO INC (CA)	LOCKWOOD CANON		9/14/18	85968	14.28	
		STATION 71 CANON		9/14/18	85968	122.11	
		ASSESSORS CANON		9/14/18	85968	41.27	177.66
93196	REDWOOD TOXICOLOGY LAB,IN			9/14/18	86070	211.79	211.79
93197	REFUSE, INC	8/1,8/7,8/9,8/21		9/14/18	86011	505.63	505.63
93198	RENO GREEN LANDSCAPING IN	1705 PERU SEPT MAINT		9/14/18	85900	373.00	373.00
93199	ROBERTS, BOBBI JEAN	GARNISHMENT DISBURSED		9/14/18	85922	248.96	248.96
93200	ROCKY MOUNTAIN INFORMATIO	MEMBERSHIP DUES		9/14/18	85930	100.00	100.00
93201	ROWE & HALES, LLP	AUGUST LEGAL SERVICES		9/14/18	86049	120.00	120.00
93202	RUPPCO INC	AMB SUPPLIES		9/14/18	86005	103.32	
				9/14/18	86005	184.00	287.32
93203	RUSSELL, SHANDELLE	PARK DEPOSIT REFUND		9/14/18	85961	100.00	100.00
93204	SBC GLOBAL SERVICES IN LD	CLERK		9/14/18	86046	1.60	
		FIRE (VC)		9/14/18	86046	1.66	
		PUBLIC WORKS		9/14/18	86046	4.57	
		SHERIFF		9/14/18	86046	1.02	
		SHERIFF		9/14/18	86046	2.33	
		FIRE/LOCKWOOD		9/14/18	86046	.68	
		COMMUNITY DEVELOPMENT		9/14/18	86046	8.30	
		CENTRAL DISPATCH		9/14/18	86046	11.90	
		DA		9/14/18	86046	.04	
		COMMISSIONER		9/14/18	86046	1.64	
		FIRE (VC)		9/14/18	86046	.09	
		VCTC		9/14/18	86046	21.35	55.18
93205	SBC GLOBAL SERVICES INC	252-6412-COMMUNICATIONS		9/14/18	86017	5,144.58	5,144.58
93206	SHERMARK DISTRIBUTORS INC	INMATE MILK		9/14/18	85932	112.00	
		INMATE MILK		9/14/18	85932	112.00	224.00
93207	SHOAF, BRIAN ALLEN	8/24/18 - 9/6/18		9/14/18	85977	18.00	18.00
93208	SIERRA ENVIRONMENTAL	FECAL COLIFORM MPN		9/14/18	85895	105.00	
		COLIFORMS P/A		9/14/18	85895	60.00	60.00

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93209	SIERRA FIRE PROTECTION LL	COLIFORMS P/A		9/14/18	85895	60.00	225.00
93210	SIERRA PACIFIC POWER CO	COUNTY VEHICLES		9/14/18	85894	4,166.50	4,166.50
93211	SIRCHIE ACQUISITION CO,	V&T RAILWAY-EGDEPOT POWER		9/14/18	86061	165.29	165.29
93212	SKRETTA, TRENT	FINGERPRINT INK STRIPS		9/14/18	85952	52.72	52.72
93213	SLICK INDUSTRIES LLC DBA	WORK BOOTS PER CONTRACT		9/14/18	86014	150.00	150.00
		CAMEL BANNER DATE CHANGE		9/14/18	85973	20.00	
		COVER		9/14/18	85896	20.00	
		DESK PLATE		9/14/18	85896	20.00	
		BUSINESS CARDS		9/14/18	85896	27.00	
		BUSINESS CARDS		9/14/18	85896	27.00	
		BUSINESS CARDS		9/14/18	85896	27.00	
93214	SMITHS FOOD & DRUG CENTER	INMATE MEDICATIONS		9/14/18	86001	162.60	141.00
93215	SOUTHERN GLAZERS WINE & S			9/14/18	85978	825.40	162.60
				9/14/18	85978	2,063.50	2,888.90
93216	SPALLONE, DOMINIC J III	TRASH CAN LINERS		9/14/18	85941	53.50	53.50
93217	SPB UTILITY SERVICES INC	AUGUST SUPPORT		9/14/18	85898	1,821.29	1,821.29
93218	ST CO SCHOOL DISTRICT	PROPERTY TAX RECEIVED		9/14/18	86029	992,000.04	992,000.04
93219	ST CO WATER SYSTEM			9/14/18	85979	243.35	
				9/14/18	86031	158.76	
				9/14/18	85979	78.20	480.31
93220	ST CO WATER SYSTEM			9/14/18	85995	128.59	
		171 BAYS		9/14/18	85995	231.27	
				9/14/18	85995	146.71	
				9/14/18	85995	128.59	
				9/14/18	85995	158.79	
				9/14/18	85995	66.82	
				9/14/18	85995	189.66	
		10 S B		9/14/18	85995	297.71	
				9/14/18	85995	182.95	
				9/14/18	85995	333.95	
		UNION ST		9/14/18	85995	1,002.19	
				9/14/18	85995	146.71	
				9/14/18	85995	62.92	
				9/14/18	85995	441.22	
				9/14/18	85995	117.52	
				9/14/18	85995	303.75	
		372 S C		9/14/18	85995	128.59	
				9/14/18	85995	66.82	
				9/14/18	85995	62.92	4,197.68
93221	ST CO WATER SYSTEM	DRIP SYSTEM		9/14/18	86024	300.43	300.43
93222	STAFFORD, SHERRY	IT/PAYING SMAC PARTIAL		9/14/18	86016	30.00	30.00
93223	SUN PEAK ENTERPRISES	OVER PAYMENT		9/14/18	86016	30.00	30.00

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93224	SUNRIDGE SYSTEMS INC	8/24/18 - 9/6/18		9/14/18	85980	956.00	
93225	TERRY, SHIRLEY	GRANT - INTERFACE		9/14/18	85980	14.00	1,052.00
93226	THRATCHER COMPANY	8/24/18 - 9/6/18		9/14/18	85946	72.00	
93227	THE TOMBSTONE COWBOYS LLC	1 CHLOR		9/14/18	85982	1,205.00	1,205.00
		4 DEPOSIT		9/14/18	85982	68.00	
		4 CHLOR		9/14/18	85982	984.00	1,052.00
		4 CHLOR		9/14/18	86003	233.26	
		5 DEPOSIT		9/14/18	86003	160.00	
				9/14/18	86003	758.04	
				9/14/18	86003	758.04	
				9/14/18	86003	200.00	1,389.34
93228	THERMATEMP	8/24/18 - 9/6/18		9/14/18	85983	1,134.00	
93229	THOMAS PETROLEUM LLC	JAIL LIGHT REPAIR		9/14/18	85983	156.00	1,290.00
93230	TJUSSELLING, DICK G	PW 615 REG ONLY		9/14/18	85942	96.00	96.00
93231	TRI GENERAL IMPROVEMENT			9/14/18	85892	1,696.46	1,696.46
93232	TRUCKEE MEADOWS WATER SYS	1705 PERU -W/S		9/14/18	85981	240.00	240.00
93233	TYLER TECHNOLOGIES, INC	1705 PERU -IRR		9/14/18	85897	205.81	
93234	UNIFORMITY OF NEVADA LLC	WATER COOLER- LOCKWOOD		9/14/18	85897	447.52	653.33
93235	UNIVERSITY OF CHICAGO	AUG 20-24, 2018 J. JONES		9/14/18	85948	49.95	49.95
93236	US POSTOFFICE (VC)	CERVANTES UNIFORMS - JAIL		9/14/18	86039	6,738.58	6,738.58
93237	USA CASH SERVICES MGT INC			9/14/18	85944	871.97	871.97
93238	V & T ROCK, INC	GARNISHMENT DISBURSED		9/14/18	85969	886.51	886.51
93239	VIRGINIA & TRUCKEE RR CO	SAND		9/14/18	86004	200.00	200.00
		SAND-		9/14/18	85945	224.30	224.30
				9/14/18	86008	487.20	
				9/14/18	86008	448.86	
				9/14/18	86008	405.90	1,341.96
				9/14/18	85987	90.00	
				9/14/18	85987	1,705.00	
				9/14/18	85987	85.00	
				9/14/18	85987	22.00	
				9/14/18	85987	780.00	
				9/14/18	86050	12,230.00	
				9/14/18	86050	12,230.00	
				9/14/18	86050	7,800.00	
				9/14/18	86050	11,600.00	46,542.00
93240	VIRGINIA CITY TOURS INC	AUGUST 3-4, 2018		9/14/18	85988	400.00	
		8/24/18 -9/6/18		9/14/18	85988	8.00	
				9/14/18	85988	180.00	

Report No: PB1315
Run Date : 09/13/11

Run Date : 09/13/18

CHECK

**VENDOR
NUMBER**

VENDOR

93241 WARD, SAM

93242 WASHOE COUNTY, NEVADA

93243 WASHOE COUNTY, NEVADA

93244 WATERS SEPTIC TANK SV DBA

93245 WESTERN ENVIRONMENTAL LAB

93246 WESTERN NEW DEVELOP DIST

93247 WESTERN NEVADA SUPPLY CO

93248 WILSON, CARLA JEAN

STOREY COUNTY

CHECK REGISTER 9/14/18

INVOICE DESCRIPTION

0/3

DATE _____

TRANS#

AMOUNT

CHECK
TOTAL
588.00

TOTAL

2
3
4
5
6

3,750.00

673.00

130.00

740.00

240.00

5,000.00

2
 2
 2
 2
 2

1,040.00

1-920-00

52.564.63

CHECKS TOTAL	2,462,564.63
--------------	--------------

ACKNOWLEDGEMENT OF REVIEW AND AUTHORIZATION

CHECKS TOTAL 2,462,564.63 CHECK DATE 9/14/18

COMPTROLLER

TREASURER

CHAIRMAN

COMMISSIONER

COMMISSIONER

Report No: PB1380CH
Run Date : 09/12/18

Check
Number Vendor Invoice
35 PORTER GROUP LLC INV 18 SC 9

STOREY COUNTY
Register for Electronic Checks 9/14/18

Description Date Voucher# Amount
PROFESSIONAL SERVICES 9/14/18 30 6,000.00

Checks Total

6,000.00
6,000.00

Check
Total

ACKNOWLEDGEMENT OF REVIEW AND AUTHORIZATION DATE

COMPTROLLER

TREASURER

CHAIRMAN

COMMISSIONER

COMMISSIONER

DISTRICT ATTORNEY

FUND-DEPT INVOICE #	DESCRIPTION	DATE	TRANS#	AMOUNT	CARD TOTAL
R.THOMSEN	CARD USED IN ERROR	9/14/18	1528	21.29	
R.THOMSEN 08/23	FIRE ASSIGN FUEL	9/14/18	1528	38.34	
R.THOMSEN 08/25	FIRE ASSIGN FUEL	9/14/18	1528	75.00	
R.THOMSEN 08/26	FIRE ASSIGN FUEL	9/14/18	1528	72.85	
R.THOMSEN 08/31	FIRE ASSIG FUEL	9/14/18	1528	26.00	
R.THOMSEN 09/03	FIRE ASSIGN FUEL	9/14/18	1528	175.94	
R.THOMSEN 09/05	FIRE ASSIGN FUEL	9/14/18	1528	42.21	
R.THOMSEN 09/24	FIRE ASSIGN TOOLS	9/14/18	1528	133.93	
R.THOMSEN 8/27	FIRE ASSIGN FUEL	9/14/18	1528	75.00	
RENAUD	TEST FOR RES ELECTRIC	9/14/18	1530	209.00	
RENO TAHOE AIRPORT	CAR PARKING	9/14/18	1519	45.00	
S.DIXON 08/28	SCBA BATTERIES	9/14/18	1528	120.96	
SCSO - ANTIINORO CARD	GAS FOR NEW DIRT BIKES	9/14/18	1518	19.94	
SCSO - DOSEN CARD	BMW BIKE REPAIR	9/14/18	1518	1,084.82	
SCSO - DOSEN CARD	INNATE FOOD - WINCO	9/14/18	1518	1,916.40	
SCSO - GAUNT	DOLLAR TREE LAUNDRY SO	9/14/18	1518	8.00	
SCSO - TROWBRIDGE	RADIO MICROPHONE/EART	9/14/18	1518	109.90	
SCSO - DOSEN CARD	BMW BIKE REPAIR	9/14/18	1518	1,046.57	
STARNS	NULSANCE LTR	9/14/18	1530	13.40	
T.PIERETTI 08/29	LONGCAR/DIXON BUSS CARD	9/14/18	1528	54.00	
T.PIERETTI 09/01	USB DRIVE	9/14/18	1528	8.48	
TYLER J. JONES	CONSULTANT LUNCH	9/14/18	1530	30.11	
WB - FBI MARKETING	POSTERS	9/14/18	1527	69.26	
017851	ATHENA MCINTYRE	9/14/18	1527	25.00	
027200	TIM TRAINING TRAVEL	9/14/18	1529	48.59	
041279	IT OFFICE SUPPLIES	9/14/18	1529	71.91	
042754	COMDEV TV AND MOUNT	9/14/18	1529	549.98	
071964	IT STOCK	9/14/18	1529	139.96	
099743	TIM TRAINING TRAVEL	9/14/18	1529	55.06	
31F2358697483081P	TIM TRAINING TRAVEL	9/14/18	1529	41.90	
32L7QJ8C	INTELEPEER CISCO PHONE	9/14/18	1529	62.65	
4701261	TIM DRONE TRAINING HOT	9/14/18	1529	100.91	
5YF7BDE9K02NJBQ	SMAC NV ENERGY	9/14/18	1529	51.20	
5YF7BDE9K02N89G	AT&T CH INTERNET FIBER	9/14/18	1529	891.43	
5YF7BMV9K02N49D	AT&T DISOP INTERNET FTB	9/14/18	1529	1,078.12	
55547325535566291040	AT&T DWOP INTERNET DS	9/14/18	1529	96.79	
5600	17 SMAC WASTE MANAGENE	9/14/18	1529	201.47	
733221577-32	TIM DRONE TRAINING CON	9/14/18	1529	440.00	
	GO TO MY PC RENEWAL	9/14/18	1529	1,980.00	

Card Total

21,422.55

21,422.55

ACKNOWLEDGEMENT OF REVIEW AND AUTHORIZATION DATE

COMPTROLLER

TREASURER

CHAIRMAN



Storey County Board of County Commissioners Agenda Action Report

Meeting date: October 2, 2018

Estimate of time required: 0-5 mins

Agenda: Consent ☒ Regular agenda ☐ Public hearing required ☐

1. **Title:** For Possible Action – Approval – Assessor's Recommended Corrections to Secured and Unsecured Tax Rolls for Errors,

2. **Recommended motion:** Approval

3. **Prepared by:** Tobi Whitten

Department: Assessor's Office

Telephone: 847-0961

4. **Staff summary:** Various corrections are required to both the Secured and Unsecured Tax Rolls for the 2014-15, 2017-18 and 2018-19 tax years.

5. **Supporting materials:** Please see attached letters with explanations and adjustments.

6. **Fiscal impact:** Unknown

Funds Available:


Fund:

____ Comptroller

7. **Legal review required:**

____ District Attorney

8. **Reviewed by:**

 Department Head

Department Name: Assessor's Office

____ County Manager

Other agency review: _____

9. **Board action:**

☐ Approved
☐ Denied

☐ Approved with Modifications
☐ Continued

Agenda Item No.

Jana Seddon

STOREY COUNTY ASSESSOR

STOREY COUNTY COURTHOUSE
26 South B Street
P.O. Box 494
Virginia City, NV 89440

(775) 847-0961 Phone
(775) 847-0904 Fax
Assessor@storeycounty.org

September 24, 2018

Memo to: Storey County Commissioners

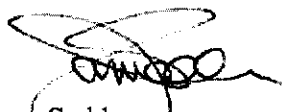
Re: 001-148-01

The above referenced parcel was billed in error for the 2017-18 and 2018-19 tax years. The property is exempt from property taxation pursuant to NRS 361.125. The property owner has been directed to and is in the process of filing the necessary forms with the Assessor's Office. In accordance with NRS 361.768, I am requesting the following changes be made by the County Treasurer:

<u>Tax Year</u>	<u>APN</u>	<u>Assessed Owner</u>	<u>Current Net Assessed</u>	<u>Current Exemption Amount</u>	<u>Adjusted Exemption Amount</u>	<u>Adjusted Net Assessed</u>	<u>Refund Amount</u>
2017-18	001-148-01	Western Missionary Museum Corp	81,947	0	81,947	0	\$3,265.70
2018-19	001-148-01	Western Missionary Museum Corp	83,682	0	83,682	0	n/a

Please approve these corrections, and advise the Treasurer to make the changes and issue a refund to the taxpayer.

Thank You,



Jana Seddon
Storey County Assessor

Secured Tax Billing & Payment History

TC0150A

Parcel #..... 001-148-01 Current Owner... WESTERN MISSIONARY MUSEUM CORP
 Property Loc... 87 S F ST, VIRGINIA CITY 9/24/18
 Set to Tax Year... Show Special Assessments for Year... 09:16:49

Yr/Typ	Billed to/Payer/Adj	Reason	Date	Amount	Balance
2017-18	WESTERN MISSIONARY MUSEUM CORP		07/05/17	2,835.94	2,835.94
Penlty	Instlmnt 1	Penalty for 2017-18	09/05/17	28.48	2,864.42
Penlty	Instlmnt 2	Penalty for 2017-18	10/13/17	71.00	2,935.42
Penlty	Instlmnt 3	Penalty for 2017-18	01/12/18	127.68	3,063.10
Penlty	Instlmnt 4	Penalty for 2017-18	03/20/18	198.52	3,261.62
Penlty	Publication Cost for Delinqncy		05/07/18	4.08	3,265.70
Pmt-Ck	WESTERN MISSIONARY MUSEUM CORP		05/22/18	3,063.10-	202.60
INTEREST	Monthly Interest		06/01/18	1.31	203.91
Pmt-Ck	WESTERN MISSIONARY MUSEUM CORP		06/11/18	202.60-	1.31
Amend	PER TR BALANCE UNDER \$5.00		06/11/18	1.31-	.00
2018-19	WESTERN MISSIONARY MUSEUM CORP		07/03/18	2,895.98	2,895.98
Penlty	Instlmnt 1	Penalty for 2018-19	09/04/18	29.08	2,925.06

Bottom

Other History: F2=Special Asmt F6=Abatement/Recapture

F4=View 2 F9=Scan >/< > F12=Return F17=Assr Inquiry

Page Fwd/Back

Jana Seddon

STOREY COUNTY ASSESSOR

STOREY COUNTY COURTHOUSE
26 South B Street
P.O. Box 494
Virginia City, NV 89440

(775) 847-0961 Phone
(775) 847-0904 Fax
Assessor@storeycounty.org

September 24, 2018

Memo to: Storey County Commissioners

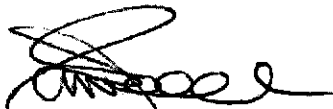
Re: Correction for Exemption

The owner of the property listed below should have had a personal exemption applied to their property for the **2017-18 tax year**. A clerical error occurred and the exemption was not applied to the property by our office before the close of the 2017-18 re-opened secured roll. Therefore, the exemption was not applied to their tax bill. The adjusted net assessed values and the **net assessed value overrides** should be:

<u>APN</u>	<u>2017-18 Net Assessed</u>	<u>Exemption Amount</u>	<u>Exemption NRS</u>	<u>Adjusted Net Assessed</u>	<u>PTGAV Override</u>	<u>Tax Cap %</u>	<u>**New** Assessed Value</u>	<u>Current Year Net Assessed Value Override</u>
3-022-86	69,821	26,400	361,091-A	43,421	71,147	3.0%		43,421

Please approve this correction, and advise the Treasurer to make the changes and send a new tax bill or refund as necessary.

Thank You,



Jana Seddon
Storey County Assessor

Parcel Number 003-022-86
Location 2385 CARTWRIGHT RD

Owner TOSTI BRANDI MICHELLE & JOHN E

ASU100G

Town VC HIGHLANDS

Tax Year Data		(F5=Show Taxable Values F6=View 2 F8=Hist)			
Assessed Values	2019-20	2018-19	2017-18	2016-17	
Land	13,608	13,608	12,600	12,600	
Improvements	85,275	85,275	57,221	58,547	
Pers Prop (F21)	0	0	0	0	
Ag Lands (F22)	0	0	0	0	
Exemptions (F23)	0	27,000	0	0	
Net Assessed Value	98,883	71,883	69,821	71,147	
Increased (New) Values					
Land	0	0	0	0	
Improvements	0	22,389	0	0	
Personal Property	0	0	0	0	
District	8.2	8.2	8.2	8.2	
Tax Rate & Cap %		3.4607 3.0	3.4607 3.0	3.4607 2.9	
Exempt Code	01	01	01	01	
Exemption NRS # (F4)	- -	361.091-A	- -	- -	
Summary Parcel #					
Tax Service Code					
Land Use Code (F4)	200	200	200	200	
F3=Save & Exit F10=Other Func F11=Earlier Yrs F12=Cancel F13=Ownership/Desc					
F14=Imprv/Appraisal Data F15=Legal Descrip F16=Notes F17=Factoring Hist					
F21=Personal Property F22=Ag Land F23=Exemptions F24=Livestock Counts					

Account # 000851 TOSTI BRANDI MICHELLE

2017-18

2016-17

Last Card Signed..

Categories: 'X'	Blind....	Orphan.....	Blind....	Orphan.....
all that apply	Veteran..	Widow(er)..	Veteran..	Widow(er)..
Disabled Veteran..	100% 80-99% 60-79%		100% 80-99% 60-79%	
Surviving Spouse..	" " "		" " "	

	Assd Value	DMV Equiv	Assd Value	DMV Equiv
Total Exemption..	26,400	1,056	26,000	1,040
Used.....	26,400	1,056	8,600	344
Balance.....	0	0	17,400	696

Usage:	Typ	P#/A#/L#	Assd Val	Date	Typ	P#/A#/L#	Assd Val	Date
S:Secured	S	003-022-86	26,400	4/04/17	V	19C004	4,675	12/29/16
U:Unsecured V:DMV	V	19C004			V	19C005	1,475	12/29/16
O:Overuse H:VetHome	V	19C005			V	19C091	1,250	2/07/17
F2=Shift Column	V	19C091			V	196A66	1,200	5/02/17
F3=Save & Exit	V	196A66						
F5=Tax Calculations								
F8=Correspndnc Hist								
F11=Other Years								
F12=Cancel								
F13=Previous Screen		Lines 1-9 of 18						
F14=Secured Inquiry		F15=Unsecured Inquiry						

Pink=DMV Web Registration

F16=Notes Page Fwd

Jana Seddon

STOREY COUNTY ASSESSOR

STOREY COUNTY COURTHOUSE
26 South B Street
P.O. Box 494
Virginia City, NV 89440

(775) 847-0961 Phone
(775) 847-0904 Fax
Assessor@storeycounty.org

September 24, 2018

Memo to: Storey County Commissioners

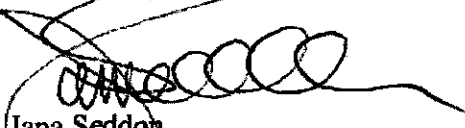
Re: CM 101237, Joy Engineering

The above referenced supplemental account was processed and billed based on the preliminary discoveries of an audit performed by Tax Management Associates for the 2014-15 tax year. The taxpayer requested an audit review and was advised by this office to not pay the bill until the review was complete, however payment was remitted in full. The corrected amounts should be as follows:

2014-15	Original	Adjustment	Amended
Personal Property Assessed Value	807,898	(807,898)	-
Improvements Assessed Value	-	-	-
2014-15 Unsecured Taxes	\$ 27,958.93	\$ (27,958.93)	\$ -
2014-15 Penalties/Interest	\$ 5,591.79	\$ (5,591.79)	\$ -

Please approve these corrections, and advise the Treasurer and/or Assessor to make the changes and issue a refund in the amount of \$33,550.72.

Thank You,


Jana Seddon
Storey County Assessor

Unsecured Tax Billing & Payment History

PP5150A

Account #..... CM 101237 Current Owner... JOY ENGINEERING

Property Loc... 1600 USA PARKWAY

9/13/18

Set to Tax Year... Show Special Assessments for Year... —

10:20:33

Yr/Typ	Billed to/Payer/Adj	Reason	Date	Amount	Balance
--------	---------------------	--------	------	--------	---------

Amend	Bill for TMA audit discoveries		06/30/18	33,550.72	33,550.72
-------	--------------------------------	--	----------	-----------	-----------

Pmt-Ck	R&J JOY INC		07/17/18	33,550.72-	.00
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Other History: F6=Abatement/Recapture

Bottom

F4=View 2

F9=Scan >/< ≥

F12=Return

F17=Account Inquiry

Page Fwd/Back



Storey County Board of County Commissioners Agenda Action Report

Meeting date: 10-2-18

Estimate of time required: 0 - 5

Agenda: Consent ☒ Regular agenda ☐ Public hearing required ☐

1. **Title:** Business License First Readings -- Approval
2. **Recommended motion:** None required (if approved as part of the Consent Agenda) I move to approve all first readings (if removed from consent agenda by request).
3. **Prepared by:** Melissa Field

Department: Community Development **Telephone:** 847-0966
4. **Staff summary:** First readings of submitted business license applications are normally approved on the consent agenda. The applications are then submitted at the next Commissioners' meeting for approval.
5. **Supporting materials:** See attached Agenda Letter

6. **Fiscal impact:**

Funds Available:

Fund:

___ Comptroller

7. **Legal review required:**

___ District Attorney

8. **Reviewed by:**

☒ Department Head

Department Name:

☐ County Manager

Other agency review: _____

9. **Board action:**

☐ Approved
☐ Denied

☐ Approved with Modifications
☐ Continued

Agenda Item No.

Storey County Community Development

Business Licensing

P O Box 526 • Virginia City NV 89440 • (775) 847-0966 • Fax (775) 847-0935 • mfield@storeycounty.org

To: Vanessa Stephens, Clerk's Office
Pat Whitten, County Manager

September 20, 2018
Via email

Fr: Melissa Field

Please add the following item(s) to the **October 2, 2018, COMMISSIONERS Consent Agenda:**

LICENSING BOARD

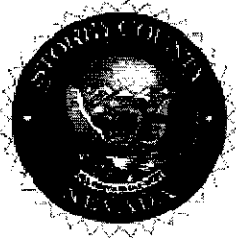
FIRST READINGS:

- A. HERITAGE CONSTRUCTION & DEVELOPMENT** – Contractor / 2351 Sunset Blvd ~ Rocklin, CA
- B. UNITED HERITAGE FINANCIAL GROUP, INC** – General/707 E. United Heritage Ct ~ Meridian, ID
- C. AXINE USA INC** – General / 108-2386 East Mall ~ Vancouver, Canada
- D. LIBERTY INTERACTIVE CORP, dba: ZULILY** – General / 2555 USA Pkwy ~ McCarran, NV

Ec: Community Development
Commissioners' Office

Planning Department
Comptroller's Office

Sheriff's Office



Storey County Board of County Commissioners Agenda Action Report

Meeting date: October 2, 2018
Agenda Item Type: Regular Agenda

Estimate of Time Required: 0-5 min.

1. **Title:** Presentation from Ben Sehy with Moreton Asset Management, regarding Storey County's investment portfolio.
2. **Recommended motion:** No action needed.
3. **Prepared by:** Vanessa Stephens

Department: Treasurer

Contact Number: 775.847.0969

4. **Staff Summary:** Attached.
5. **Supporting Materials:** See attached
6. **Fiscal Impact:** 0
7. **Legal review required:** No
8. **Reviewed by:**

 Department Head

Department Name: Treasurer

____ County Manager

Other Agency Review: _____

9. **Board Action:**

<input type="checkbox"/> Approved	<input type="checkbox"/> Approved with Modification
<input type="checkbox"/> Denied	<input type="checkbox"/> Continued



Treasury Yield Curve

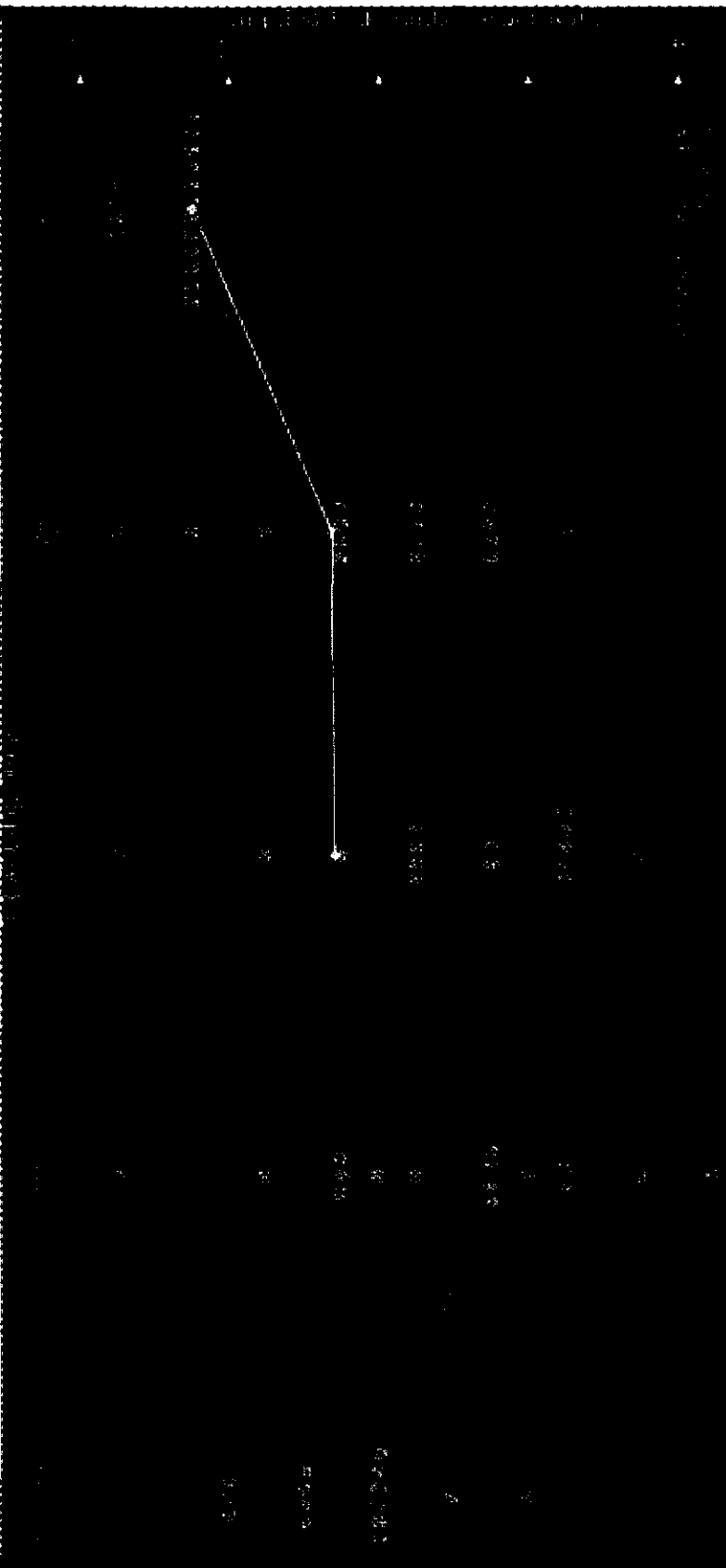
*Source Bloomberg LP

10/10/2007 10:00 AM

10/10/2007 10:00 AM

Implied Fed Funds Target Rate

Compare with: None Forecast: 10/10/2007



Base Risk Summary 1

08/15/2017 - 09/26/2018

Moreton-Storey County Agg (103765)

Dated: 09/26/2018

Balance Sheet

Book Value + Accrued	16,989,535.98
Net Unrealized Gain/Loss	-137,140.42
Market Value + Accrued	16,852,395.56

Cash and Fixed Income Summary

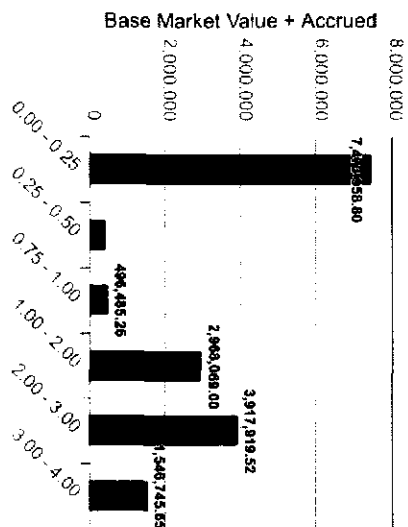
Risk Metric	Value
Cash	-175,555.72
MMF und	6,174,313.76
Fixed Income	10,853,137.51
Duration	1.216
Convexity	-0.050
WAL	1.426
Years to Final Maturity	1.439
Years to Effective Maturity	1.424
Yield	2.313
Book Yield	2.036
Avg Credit Rating	AA/Aa2/AA

Issuer Concentration

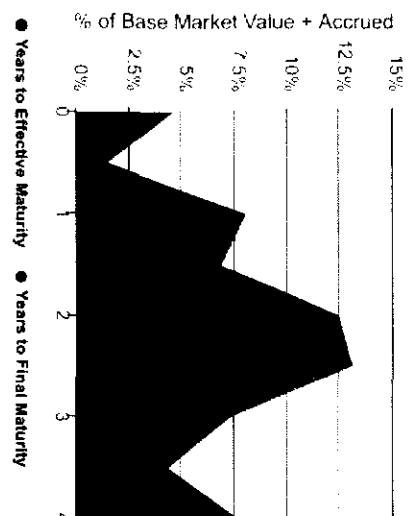
Issuer Concentration	% of Base Market Value + Accrued
Short-Term Investments Trust	34.440%
Other	32.647%
Federal National Mortgage Association, Inc.	8.741%
Federal Home Loan Mortgage Corporation	6.965%
Council of Federal Home Loan Banks	6.209%
Morgan Stanley	4.883%
Federal Farm Credit Banks Funding Corporation	4.349%
Goldman Sachs Trust	1.966%

100.000%

Duration



Time To Maturity



Security Type

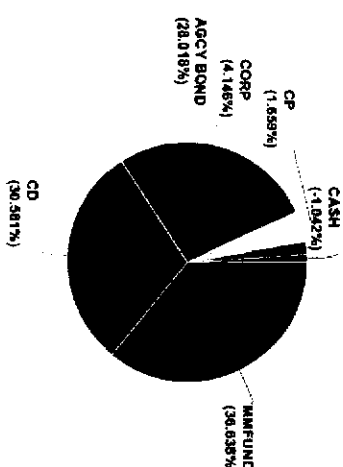


Chart calculated by Base Market Value + Accrued



GAAP Financials

08/15/2017 - 09/26/2018

Moreton-Storey County Agg (103765)

Dated: 09/26/2018

Balance Sheet

As of:	08/14/2017	09/26/2018	08/14/2017	09/26/2018	08/14/2017	09/26/2018	08/14/2017	09/26/2018	08/14/2017	09/26/2018
Book Value	0.00	16,927,601.78	0.00	6,050,497.22	0.00	5,785,974.73	0.00	5,081,129.83	0.00	19,465.62
Accrued Balance	0.00	61,934.20	0.00	34,507.58	0.00	7,960.99	0.00	10,595.45	0.00	61,485.79
Book Value + Accrued	0.00	16,989,535.98	0.00	6,085,004.80	0.00	5,803,935.72	0.00	5,093,109.66	0.00	5,039,109.66
Net Unrealized Gain/Loss	0.00	-137,140.42	0.00	-75,655.31	0.00	0.68	0.00	0.00	0.00	0.00
Market Value + Accrued	0.00	16,852,395.56	0.00	6,009,349.49	0.00	5,803,936.40	0.00	5,093,109.66	0.00	5,039,109.66

Income Statement

	08/14/2017	09/26/2018	08/14/2017	09/26/2018	08/14/2017	09/26/2018	08/14/2017	09/26/2018	08/14/2017	09/26/2018
Net Amortization/Accretion Income	303,171.16	14,394.52	132,604.45	12,935.45	63,139.06	0.00	107,427.64	1,459.07	0.00	0.00
Interest Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividend Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Foreign Tax Withheld Expense	0.01	0.01	0.01	0.01	0.00	0.00	0.00	0.00	0.00	0.00
Misc Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Allowance Expense	0.00	303,171.16	0.00	132,604.46	0.00	63,139.06	0.00	107,427.64	0.00	0.00
Income Subtotal	-3,725.37	-3,725.30	-3,725.37	-3,725.30	0.00	0.00	0.00	0.00	0.00	0.00
Net Realized Gain/Loss	0.08	0.08	0.08	0.08	0.00	0.00	0.00	0.00	0.00	0.00
Net Holding Gain/Loss	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Impairment Loss	0.00	-3,725.30	0.00	-3,725.30	0.00	0.00	0.00	0.00	0.00	0.00
Net Gain/Loss	-16,967.76	296,972.62	-8,576.50	133,238.11	0.00	63,139.06	-8,291.26	100,595.45	0.00	0.00
Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Income	0.00	296,972.62	0.00	133,238.11	0.00	63,139.06	0.00	100,595.45	0.00	0.00
Transfers In/Out	0.00	16,692,563.43	0.00	5,951,786.77	0.00	5,740,796.66	0.00	5,000,000.00	0.00	0.00
Change in Unrealized Gain/Loss	0.00	-137,140.50	0.00	-75,655.39	0.00	0.68	0.00	-61,485.79	0.00	0.00

Statement of Cash Flows

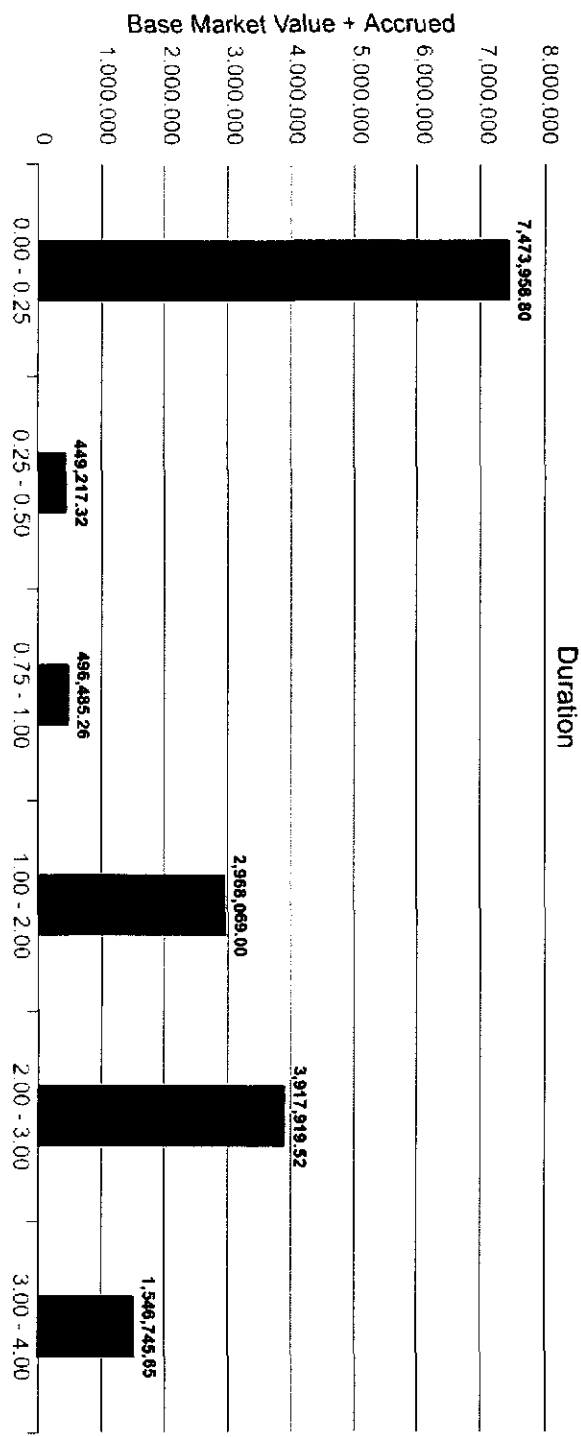
	08/14/2017	09/26/2018	08/14/2017	09/26/2018	08/14/2017	09/26/2018	08/14/2017	09/26/2018	08/14/2017	09/26/2018
Net Income	-10,511.88	296,972.62	-9,271.56	133,238.11	0.00	63,139.06	-1,240.32	100,595.45	0.00	0.00
Amortization/Accretion on MS	-39,943.51	0.00	-29,701.32	0.00	0.00	0.00	-10,242.19	0.00	0.00	0.00
Change in Accrued on MS	1,723.54	0.00	1,723.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Gain/Loss on MS	-354.95	-49,086.79	-355.62	-37,604.96	0.68	0.68	0.00	-11,482.51	0.00	0.00
Change in Unrealized GL on CE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal	-13,633,541.02	-13,500.82	-8,187,838.69	-4,281.53	0.00	0.00	-5,445,702.33	-5,234,911.62	0.00	0.00
Purchase of MS	1,489,895.00	0.00	1,489,895.00	0.00	0.00	0.00	-9,209.29	5,000,000.00	0.00	0.00
Sales of MS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-145,798.68	0.00	0.00
Sold Accrued of MS	1,215,000.00	-10,942,146.84	995,000.00	-5,707,235.22	0.00	0.00	220,000.00	-5,234,911.62	0.00	0.00
Net Purchases/Sales	0.00	16,692,563.43	0.00	5,951,786.77	0.00	5,740,796.66	0.00	5,000,000.00	0.00	0.00
Transfers of Cash & CE	0.00	5,998,302.42	0.00	340,164.70	0.00	5,803,936.40	0.00	-145,798.68	0.00	0.00
Total Change in Cash & CE	0.00	5,998,302.42	0.00	340,164.70	0.00	5,803,936.40	0.00	-145,798.68	0.00	0.00
Beginning Cash & CE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Ending Cash & CE	0.00	5,998,302.42	0.00	340,164.70	0.00	5,803,936.40	0.00	-145,798.68	0.00	0.00

Base Exposure - Duration

Base Currency: USD As of 09/26/2018

Moreton-Storey County Agg (103765)

Dated: 09/26/2018



Duration	Account	Identifier	Description	Base Current Units	Currency	Final Maturity	Security Type	Market Price	Yield	Duration	Convexity	Rating	Base Market Value + Accrued	% of Base Market Value + Accrued
0.00 - 0.25	---	---	---	7,446,068.97	USD	11/28/2018	---	20.6495	2.060	0.013	0.000	AA	7,473,958.80	44.350%
0.25 - 0.50	---	---	---	448,000.00	USD	11/18/2019	CD	100.0000	1.834	0.354	0.002	NA	449,217.32	2.668%
0.75 - 1.00	Moreton-Storey County NV	---	---	486,000.00	USD	08/30/2019	CD	99.9539	1.774	0.971	0.013	A+	486,485.26	2.946%
1.00 - 2.00	---	---	---	2,968,000.00	USD	05/15/2020	---	99.6303	2.055	1.571	0.001	AA-	2,968,069.00	17.612%
2.00 - 3.00	---	---	---	3,993,000.00	USD	07/28/2021	---	97.5659	2.923	2.479	-0.186	AAA	3,917,919.52	23.248%
3.00 - 4.00	---	---	---	1,573,000.00	USD	08/22/2022	---	97.9491	2.802	3.495	-0.082	AAA	1,546,745.65	9.178%
---	---	---	---	16,824,868.97	USD	03/05/2020	---	63.9878	2.313	1.216	-0.050	AA	16,852,385.56	100.000%

* Grouped by: Duration. * Groups Sorted by: Duration. * Weighted by: Base Market Value + Accrued.



Storey County Board of County Commissioners Agenda Action Report

Meeting date: October 2, 2018

Estimate of time required: 5 minutes

Agenda: Consent ☐ Regular agenda ☒ Public hearing required ☐

1. **Title:** DISCUSSION/POSSIBLE ACTION: Approval and acceptance of a Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant award for \$73,489.00 to assist the Storey County School District with an Emergency Backup Generator at the Virginia City High School.

2. **Recommended motion:** I move to approve and accept a Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant administered through the State of Nevada Department of Public Safety Division of Emergency Management in the amount of \$73,489.00 to assist the Storey County School District with an Emergency Backup Generator at the Virginia City High School and authorization for Cherie Nevin and or Pat Whitten to sign all associated grant documentation.

3. **Prepared by:** Cherie Nevin

Department: Community Relations

Telephone: 847-0986

4. **Staff summary:** Storey County applied for and received a Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant administered through the State of Nevada Department of Public Safety Division of Emergency Management to assist the Storey County School District with an Emergency Backup Generator at the Virginia City High School. The High School is used as an Emergency Shelter in the event of an emergency that could affect the county. The grant is for \$73,489.00 in federal funds with a match required. The match for this grant will come from a combination of cash and in-kind services from the School District for \$24,496.00. The total project cost is \$97,986.00. The performance period of this grant is September 1, 2018 through February 28, 2019.

5. **Supporting materials:** Grant Notification Letter

6. **Fiscal impact:**

Funds Available: YES

Fund: ____ Comptroller

7. **Legal review required:**

LL District Attorney

8. **Reviewed by:**

CM Department Head
Pat County Manager

Department Name: Community Relations

Other agency review: _____

9. **Board action:**

☐ Approved
☐ Denied

☐ Approved with Modifications
☐ Continued

Agenda Item No. 10

Brian Sandoval
Governor



James M. Wright
Director

Caleb S. Cage
Chief

**Division of Emergency Management
Homeland Security**

2478 Fairview Drive
Carson City, Nevada 89701
Telephone (775) 687-0300 • Fax (775) 687-0322 • <http://dem.state.nv.us/>

August 30, 2018

Mr. Pat Whitten
P.O. Box 7
Virginia City, NV 89440

Dear Mr. Whitten:

RE: HMGP #4307-04-04R Emergency Generator Project

I am pleased to enclose the award for the Storey County Generator Project.

The federal funding awarded equals \$73,489.00; the 25 percent cost share, which is the responsibility of the local jurisdiction, is \$24,497.00; total amount of eligible costs is \$73,489.00. For your reference, the approved budget is enclosed with this letter. **The project period begins September 1, 2018 and ends February 28, 2019.**

A performance and financial report is required on a quarterly basis as shown in the timetable below. A sample of the report form is attached and a template in Excel format will be provided for your convenience. For reimbursement, submit the completed reports and backup documentation for all expenditures to the attention of Janell Woodward, Nevada Division of Emergency Management (DEM).

Jan-Mar – Due Second Thursday of Apr
Apr-Jun – Due Second Thursday of Jul

Jul-Sep – Due Second Thursday of Oct
Oct-Dec – Due Second Thursday of Jan

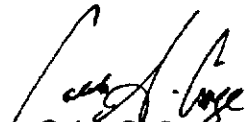
An award package is enclosed for signature. Keep the "confirmation copy" for your records and return the "original" as soon as possible to the address listed above, attention: Janell Woodward.

Pat Whitten
Page 2
August 30, 2018

The DEM appreciates Storey County's understanding that reimbursement of expenditures is contingent upon the legislative Interim Finance Committee (IFC) consideration of the budgetary acceptance of this federal award. Please note that grant management must adhere to the Title 44 Code of Federal Regulations and generally accepted accounting principles. Also, financial records for this award must be kept three years beyond the end of the state's performance period. The DEM will provide written notice of the end of the state's performance period. As a reminder, project awards more than \$25,000 may be audited by FEMA.

Thank you for your cooperation and assisting the DEM in documenting our compliance with the federal grant management regulations. If you have any questions concerning this award, please call Janell Woodward, jwoodward@dps.state.nv.us, at 775-687-0314.

Best regards,



Caleb S. Cage

CSC/jjw

Attachments: *Scope of Work*
Assurances and Certifications
Grant Award
Sample Quarterly Fiscal/Program Report



**STATE OF NEVADA
DEPARTMENT OF PUBLIC SAFETY (NDPS)
DIVISION OF EMERGENCY MANAGEMENT (NDEM)**

2478 Fairview Drive, Carson City, Nevada 89701
Telephone (775) 687-0300, Fax (775) 687-0322

Sub Grant Award		
SUBGRANTEE: Storey County	FEIN NUMBER:	88-60000134
ADDRESS: P.O. Box 7, Virginia City, NV 89440	CFDA / PROJECT NO:	9703917-3000
PROGRAM NAME: Hazard Mitigation Grant Program	NDEM DUNS:	607025848
PROJECT TITLE: Storey County Emergency Generator Project	SUB-GRANTEE DUNS:	073784968
SUBGRANTEE AWARD PERIOD: 09/01/2018 - 02/28/2019	SUBGRANTEE GRANT FUNDS:	\$73,489.00
FEDERAL AWARD PERIOD TO DEM: 03/28/2018 - 03/27/2021	SUBGRANTEE MATCHING FUNDS:	\$24,497.00
FEDERAL AWARD AMOUNT TO DEM: \$73,489.00	TOTAL AWARD:	\$97,986.00
APPLICATION NO: HMGP #4307-04-04R		
APPROVED BUDGET FOR PROJECT		
CATEGORY	TOTAL PROJECT COSTS	
Personnel		\$11,237.00
Contractual		\$86,749.00
SUBGRANTEE FEDERAL GRANT TOTAL		\$73,489.00
SUB-GRANTEE MATCH TOTAL		\$24,496.00

This award is subject to the requirements (federal, state, financial and program assurances) established by the Federal Government; the Nevada Department of Public Safety and the Nevada Division of Emergency Management. This award is subject to availability of federal funding.
Special Conditions: (If Applicable) This project is approved subject to such conditions or limitations as set forth on the attached page(s)
ATTACHMENTS: (1) FEDERAL & STATE ASSURANCES (2) FINANCIAL AND PROGRAM ASSURANCES (3) FEDERAL CERTIFICATIONS
(4) SCOPE AND TIMELINE OF WORK (5) LINE ITEM DETAILED BUDGET.

AGENCY APPROVAL	SUBGRANTEE ACCEPTANCE
Caleb S. Cage, Chief	Pat Whitten, County Manager
Name and Title of Appointing Official	Name and Title of Appointing Official
X <i>Caleb S. Cage</i> 8/31/18	X
Signature of Approving Official Date:	Signature of Approving Official Date:

<input checked="" type="checkbox"/>	EMPM
<input checked="" type="checkbox"/>	ASO III
<input checked="" type="checkbox"/>	GRM

ORIGINAL

ST
HERA



STATE OF NEVADA
DEPARTMENT OF PUBLIC SAFETY (NDPS)
DIVISION OF EMERGENCY MANAGEMENT (NDEM)

2478 Fairview Drive, Carson City, Nevada 89701
 Telephone (775) 687-0300, Fax (775) 687-0322

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AGENCY APPROVAL		SUBGRANTEE ACCEPTANCE	
Caleb S. Cage, Chief		Pat Whitten, County Manager	
Name and Title of Appointing Official		Name and Title of Appointing Official	
X <i>Caleb S. Cage</i>	8/31/18	X	
Signature of Approving Official	Date:	Signature of Approving Official	Date:

<i>[Signature]</i>	ASO III
<i>[Signature]</i>	GRM

Confirmation
Copy



FEDERAL ASSURANCES

The applicant hereby assures and certifies compliance with all Federal statutes, regulations, policies, guidelines and requirements, including OMB Circulars, 2 CFR PART 220, 2 CFR PART 215, 2 CFR PART 230, A-128, A-133, 2 CFR PART 225; E.O. 12372 and Uniform Administrative Requirements for Grants and Cooperative Agreements 28 CFR PART 66, Common Rule, that govern the application, acceptance and use of Federal funds for this Federally-assisted project. Administrative Requirements 2 CFR PART 200, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, 2 CFR PART 215, Institutions of Higher Education, Hospital and other Non-Profit Organizations. Cost Principles, 2 CFR PART 225, State and Local Governments, 2 CFR PART 220, Educational Institutions, 2 CFR PART 230 Non-Profit Organizations and Federal Acquisitions Regulations Sub-Part 31.2, Contracts with Commercial Organizations. In addition, the applicant assures and certifies that:

- I. It possesses legal authority to apply for the grant; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body, authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.
- II. It will comply with requirements of the provisions of the Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (P.L. 91-646) which provides for fair and equitable treatment of persons displaced as a result of Federal and Federally-assisted programs.
- III. It will comply with provisions of Federal law, which limit certain political activities of employees of a state or local unit of government whose principal employment is in connection with an activity financed in whole or in part by Federal grants. (5 USC 1501, et seq.)
- IV. It will comply with the minimum wage and maximum hour's provisions of the Federal Fair Labor Standards Act.
- V. It will establish safeguards to prohibit employees from using their positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business, or other ties.
- VI. It will give the sponsoring agency or the Comptroller General, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the grant.
- VII. It will comply with all requirements imposed by the Federal sponsoring agency concerning special requirements of law, program requirements, and other administrative requirements.
- VIII. It will insure that the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of the project are not listed on the Environmental Protection Agency's (EPA) list of Violating Facilities and that it will notify the Federal grantor agency of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be used in the project is under consideration for listing by the EPA.
- IX. It will comply with the flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973, Public Law 93-234, 87 Stat. 975, approved December 31, 1976, Section 102(a) requires, on and after March 2, 1975, the purchase of flood insurance in communities where such insurance is available as a condition for the receipt of any Federal financial assistance for construction or acquisition purposes for use in any area that has been identified by the Secretary of the Department of Housing and Urban Development as an area having special flood hazards. The phrase "Federal financial assistance" includes any form of loan, grant, guaranty, insurance payment, rebate, subsidy, disaster assistance loan or grant, or any other form of direct or indirect Federal assistance.
- X. Environmental and Historic Preservation Compliance. FEMA is required to consider the potential impacts to the human and natural environment of projects proposed for FEMA funding. FEMA, through its Environmental and Historic Preservation (EHP) Program, engages in a review process to ensure that FEMA-funded activities comply with various Federal laws including National Environmental Policy Act, National Historic Preservation Act, Endangered Species Act, and Executive Orders on Floodplains (11988), Wetlands (11990) and Environmental Justice (12898).

- a. Any project with the potential to impact EHP resources (see Section E.8) cannot be initiated until FEMA has completed its review. The sub-grantees shall provide any information requested by FEMA to ensure compliance with applicable Federal EHP requirements.
 - b. Grantees may be required to provide detailed information about the project, including the following: location (street address or map coordinates); description of the project including any associated ground disturbance work, extent of modification of existing structures, construction equipment to be used, staging areas, access roads, etc.; year the existing facility was built; natural, biological, and/or cultural resources present in the project vicinity; visual documentation such as site and facility photographs, project plans, maps, etc.; and possible project alternatives. For certain, types of projects, FEMA must consult with other Federal, state and local agencies such as the U.S. Fish and Wildlife Service, State Historic Preservation Offices, and the U.S. Army Corps of Engineers, as well as other Federal, State, Local and Tribal Nations agencies and organizations responsible for protecting natural and cultural resources.
 - c. For projects with the potential to have significant adverse effects on the environment and/or historic properties, FEMA's EHP review and consultation may result in a substantive agreement between the involved parties outlining how the sub-grantee will avoid the effects, minimize the effects, or, if necessary, compensate for the effects. Because of the potential for significant adverse effects to EHP resources or public controversy, some projects may require an additional assessment or report, such as an Environmental Assessment, Biological Assessment, archaeological survey, cultural resources report, wetlands delineation, or other document, as well as a public comment period.
 - d. Sub-grantees are responsible for the preparation of such documents, as well as for the implementation of any treatment or mitigation measures identified during the EHP review that are necessary to address potential adverse impacts.
 - e. Failure of the sub-grantee to meet Federal, State, and local EHP requirements, obtain applicable permits, and comply with any conditions that may be placed on the project as the result of FEMA's EHP review may jeopardize Federal funding.
- XI.** It will comply, and assure the compliance of all its sub-sub-grantees and contractors, with the applicable provisions of Title I of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, the Juvenile Justice and Delinquency Prevention Act, or the Victims of Crime Act, as appropriate; the provisions of the current edition of the Office of Justice Programs Financial and Administrative Guide for Grants, M7100.1; and all other applicable Federal laws, orders circulars, or regulations.
- XII.** It will comply with the provisions of 28 CFR applicable to grants and cooperative agreements including PART 18, Administrative Review Procedure; PART 20, Criminal Justice Information Systems; PART 22, Confidentiality of Identifiable Research and Statistical Information; Part 23, Criminal Intelligence Systems Operating Policies; PART 30, Intergovernmental Review of Department of Justice Programs and Activities; PART 42, Nondiscrimination/Equal Employment Opportunity Policies and Procedures; PART 61, Procedures for Implementing the National Environmental Policy Act; PART 63, Floodplain Management and Wetland Protection Procedures; and Federal laws or regulations applicable to Federal Assistance Programs.
- XIII.** It will comply, and all its sub-grantee and contractors will comply, with the non-discrimination requirements of the Omnibus Crime Control and Safe Streets Act of 1968, as amended, 42 USC 3789(d), or Victims of Crime Act (as appropriate); Title VII of the Civil Rights Act of 1964, as amended; Section 504 of the Rehabilitation Act of 1973, as amended; Subtitle A, Title II of the Americans with Disabilities Act (ADA) (1990); Title IX of the Education Amendments of 1972; the Age Discrimination Act of 1975; Department of Justice Non-Discrimination Regulations, 28 CFR PART 42, Subparts C, D, E, and G; and Department of Justice regulations on disability discrimination, 28 CFR PART 35 and PART 39.
- XIV.** Services to limited English proficient (LEP) persons. Recipients of FEMA financial assistance are required to comply with several Federal civil rights laws, including Title VII of the Civil Rights Act of 1964, as amended. These laws prohibit discrimination on the basis of race, color, religion, natural origin, and sex in the delivery of services. National origin discrimination includes discrimination on the basis of limited English proficiency.
- a. To ensure compliance with Title VII, recipients are required to take reasonable steps to ensure that LEP persons have meaningful access to their programs. Meaningful access may entail providing language assistance services, including oral and written translation, where necessary.

- b. The sub-grantee is encouraged to consider the need for language services for LEP persons served or encountered both in developing their proposals and budgets and in conducting their programs and activities. For additional information, see <http://www.lep.gov>. Integrating individuals with disabilities into emergency planning. Section 504 of the Rehabilitation Act of 1973, as amended, prohibits discrimination against people with disabilities in all aspects of emergency mitigation, planning, response, and recovery by entities receiving financial funding from FEMA.
- c. Executive Order 13347, entitled "Individuals with Disabilities in Emergency Preparedness" signed in July 2004, requires the Federal Government to support safety and security for individuals with disabilities in situations involving disasters, including earthquakes, tornadoes, fires, floods, hurricanes, and acts of terrorism.
- d. Executive Order 13347 requires the Federal government to, among other things, encourage consideration of the needs of individuals with disabilities served by State, local, and tribal governments in emergency preparedness planning.
- e. FEMA has several resources available to assist emergency managers in planning and response efforts related to people with disabilities and to ensure compliance with Federal civil rights laws:
Guidelines for Accommodating Individuals with Disabilities in Disaster: The Guidelines synthesize the array of existing accessibility requirements into a user friendly tool for use by response and recovery personnel in the field.
 - i. Guidelines are available at, <http://www.fema.gov/oer/reference/>
 - ii. Disability and Emergency Preparedness Resource Center: A web based "Resource Center" that includes dozens of technical assistance materials to assist emergency managers in planning and response efforts related to people with disabilities can be found at, <http://www.disabilitypreparedness.gov>
 - iii. Emergency Planning for Persons with Disabilities and Special Needs: <http://www.LLIS.gov>
- XV. In the event a Federal or state court or Federal or state administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, sex, or disability against a recipient of funds, the recipient will forward a copy of the finding to the Office for Civil Rights, Office of Justice Programs.
- XVI. It will provide an Equal Employment Opportunity Program if required to maintain one, where the application is for \$500,000 or more.
- XVII. It will comply with the provisions of the Coastal Barrier Resources Act (P.L. 97-348) dated October 19, 1982 (16 USC 3501 et seq.) which prohibits the expenditure of most new Federal funds within the units of the Coastal Barrier Resources System.
- XVIII. Compliance with the National Energy Conservation Policy and Energy Policy Acts. In accordance with the 2008 DHS Appropriations Act, all FY 2008 grant funds must comply with the following two requirements:
 - a. None of the funds made available through shall be used in contravention of the Federal buildings performance and reporting requirements of Executive Order No. 13123, PART 3 of title V of the National Energy Conservation Policy Act (42 USC 8251 et. Seq.), or subtitle A of title I of the Energy Policy Act of 2005 (including the amendments made thereby).
 - b. None of the funds made available shall be used in contravention of section 303 of the Energy Policy Act of 1992 (42 USC13212).
- XIX. HSPD-5 requires that Federal agencies tie Federal preparedness funding eligibility directly to progress on **NIMS implementation**. Inability to demonstrate compliance with required NIMS implementation activities could affect Federal preparedness funding at any level of government – state agency, county, local jurisdiction or department. Those receiving, or planning to receive, Federal preparedness funding from any Federal sources should examine the applicable grant guidance to determine eligibility requirements.
- XX. **VICTIMS PROTECTION ACT OF 2000**
Implements section 106(g) of the trafficking Victims Protection Act of 2000 (TVPA) as amended (22 U.S.C. 7104 (g)).

XXI. CLASSIFIED NATIONAL SECURITY INFORMATION

"Classified national security information" as defined in the Executive Order (EO) 12958, as amended, means information that has been determined pursuant to EO 12958 or any predecessor order to require protection against unauthorized disclosure and is marked to indicate its classified status when in documentary form.

XXII. TRANSPARENCY ACT

As of October 1, 2010, all Federal agencies are to initiate sub-award reporting pursuant to P.L. 109-282 of the Federal Funding Accountability and Transparency Act. This includes an implementation policy to require the collection and reporting on sub-award data, improvement to the data quality of Federal Awards and enhancement of technological capabilities of the USAspending.gov.

As the duly authorized representative of the applicant for Place Jurisdiction name here, I hereby certify that the applicant will comply with the above assurances and certifications.

NAME: _____ TITLE: _____

SIGNATURE: _____ DATE: _____

*Must be signed by the County Manager/Chief Financial Officer, the Tribal Chairman/designee or the state agency director as appropriate

FEDERAL CERTIFICATIONS NEW

Applicants should refer to the regulations cited below to determine the certification to which they are required to attest. Signature of this form provides for compliance with certification requirements under 28 CFR PART 69, "New Restrictions on Lobbying" and 28 CFR PART 67, "Government-wide Debarment and Suspension (Non-procurement) and Government-wide Requirements for Drug- Free Workplace (Grants)." The certifications shall be treated as a material representation of fact upon which reliance will be placed when determination is made to award the covered transaction, grant, or cooperative agreement.

Article I - Assurances, Administrative Requirements, Cost Principles, and Audit Requirements

DHS financial assistance recipients must complete either the OMB Standard Form 424B Assurances - Non-Construction Programs or OMB Standard Form 424D Assurances - Construction Programs as applicable. Certain assurances in these documents may not be applicable to your program, and the DHS financial assistance office may require applicants to certify additional assurances. Applicants are required to fill out the assurances applicable to their program as instructed by the awarding agency. Please contact the financial assistance office if you have any questions. DHS financial assistance recipients are required to follow the applicable provisions of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards located at 2 C.F.R. Part 200, and adopted by DHS at 2 C.F.R. Part 3002.

Article II - DHS Specific Acknowledgements and Assurances

All recipients, sub-recipients, successors, transferees, and assignees must acknowledge and agree to comply with applicable provisions governing DHS access to records, accounts, documents, information, facilities, and staff.

1. Recipients must cooperate with any compliance reviews or compliance investigations conducted by DHS.
2. Recipients must give DHS access to, and the right to examine and copy, records, accounts, and other documents and sources of information related to the award and permit access to facilities, personnel, and other individuals and information as may be necessary, as required by DHS regulations *and* other applicable laws or program guidance.
3. Recipients must submit timely, complete, and accurate reports to the appropriate DHS officials and maintain appropriate backup documentation to support the reports.
4. Recipients must comply with all other special reporting, data collection, and evaluation requirements, as prescribed by law or detailed in program guidance.
5. If, during the past three years, the recipient has been accused of discrimination on the grounds of race, color, national origin (including limited English proficiency), sex, age, disability, religion, or familial status, the recipient must provide a list of all such proceedings, pending or completed, including outcome and copies of settlement agreements to the DHS financial assistance office and the DHS Office of Civil Rights and Civil Liberties (CRCL) by e-mail at crcl@hq.dhs.gov or by mail at U.S. Department of Homeland Security Office for Civil Rights and Civil Liberties Building 410, Mail Stop #0190 Washington, D.C.20528.
6. In the event any court or administrative agency makes a finding of discrimination on grounds of race, color, national origin (including limited English proficiency), sex, age, disability, religion, or familial status against the recipient, or the recipient settles a case or matter alleging such discrimination, recipients must forward a copy of the complaint and findings to the DHS financial assistance office and the CRCL office by e-mail or mail at the addresses listed above. The United States has the right to seek judicial enforcement of these obligations.

Article III - Whistleblower Protection Act

All recipients must comply with the statutory requirements for whistleblower protections (if applicable) at 10 U.S.C. section 2409, 41 U.S.C. 4712, and 10 U.S.C. section 2324, 41 U.S.C. sections 4304 and 4310.

Article IV - Use of DHS Seal, Logo and Flags

All recipients must obtain permission from their financial assistance office, prior to using the DHS seal(s), logos, crests or reproductions of flags or likenesses of DHS agency officials, including use of the United States Coast Guard seal, logo, crests or reproductions of flags or likenesses of Coast Guard officials.

Article V - USA Patriot Act of 2001

All recipients must comply with requirements of the *Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act* (USA PATRIOT Act), which amends 18 U.S.C. sections 1751-1756.

Article VI - Universal Identifier and System of Award Management (SAM)

All recipients are required to comply with the requirements set forth in the government-wide Award Term regarding the System for Award Management and Universal Identifier Requirements located at 2 C.F.R. Part 25, Appendix A, the full text of which is incorporated here by reference in the terms and conditions of your award.

Article VII - Reporting of Matters Related to Recipient Integrity and Performance

If the total value of your currently active grants, cooperative agreements, and procurement contracts from all Federal assistance office exceeds \$10,000,000 for any period of time during the period of performance of this Federal award, you must comply with the requirements set forth in the government-wide Award Term and Condition for Recipient Integrity and Performance Matters located at 2 C.F.R. Part 200, Appendix XII, the full text of which is incorporated here by reference in the terms and conditions of your award.

Article VIII - Rehabilitation Act of 1973

All recipients must comply with the requirements of Section 504 of the *Rehabilitation Act of 1973*, 29 U.S.C. section 794, as amended, which provides that no otherwise qualified handicapped individual in the United States will, solely by reason of the handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

Article IX - Trafficking Victims Protection Act of 2000

All recipients must comply with the requirements of the government-wide award term which implements Section 106(g) of the *Trafficking Victims Protection Act of 2000*, (TVPA) as amended (22 U.S.C. section 7104). The award term is located at 2 CFR section 175.15, the full text of which is incorporated here by reference in the terms and conditions of your award.

Article X - Terrorist Financing

All recipients must comply with E.O. 13224 and U.S. law that prohibit transactions with, and the provisions of resources and support to, individuals and organizations associated with terrorism. It is the legal responsibility of recipients to ensure compliance with the Order and laws.

Article XI - SAFECOM

All recipients who receive awards made under programs that provide emergency communication equipment and its related activities must comply with the SAFECOM Guidance for Emergency Communication Grants, including provisions on technical standards that ensure and enhance interoperable communications.

Article XII - Reporting Subawards and Executive Compensation

All recipients are required to comply with the requirements set forth in the government-wide Award Term on Reporting Subawards and Executive Compensation located at 2 C.F.R. Part 170, Appendix A, the full text of which is incorporated here by reference in the terms and conditions of your award.

Article XIII - Procurement of Recovered Materials

All recipients must comply with Section 6002 of the *Solid Waste Disposal Act*, as amended by the *Resource Conservation and Recovery Act*. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition.

Article XIV - Patents and Intellectual Property Rights

Unless otherwise provided by law, recipients are subject to the Bayh-Dole Act, Pub. L. No. 96-517, as amended, and codified in 35 U.S.C. section 200 et seq. All recipients are subject to the specific requirements governing the development, reporting, and disposition of rights to inventions and patents resulting from financial assistance awards located at 37 C.F.R. Part 401 and the standard patent rights clause located at 37 C.F.R. section 401.14.

Article XV - Notice of Funding Opportunity Requirements

All of the instructions, guidance, limitations, and other conditions set forth in the Notice of Funding Opportunity (NOFO) for this program are incorporated here by reference in the terms and conditions of your award. All recipients must comply with any such requirements set forth in the program NOFO.

Article XVI - Non-supplanting Requirement

All recipients who receive awards made under programs that prohibit supplanting by law must ensure that Federal funds do not replace (supplant) funds that have been budgeted for the same purpose through non-Federal sources.

Article XVII - Lobbying Prohibitions

All recipients must comply with 31 U.S.C. section 1352, which provides that none of the funds provided under an award may be expended by the recipient to pay any person to influence, or attempt to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any Federal action concerning the award or renewal.

Article XVIII - Limited English Proficiency (Civil Rights Act of 1964, Title VI)

All recipients must comply with the *Title VI of the Civil Rights Act of 1964* (Title VI) prohibition against discrimination on

the basis of national origin, which requires that recipients of federal financial assistance take reasonable steps to provide meaningful access to persons with limited English proficiency (LEP) to their programs and services. For additional assistance and information regarding language access obligations, please refer to the DHS Recipient Guidance <https://www.dhs.gov/guidance-published-help-department-supported-organizations-provide-meaningful-access-people-limited> and additional resources on <http://www.lep.gov>.

Article XIX - Hotel and Motel Fire Safety Act of 1990

In accordance with Section 6 of the *Hotel and Motel Fire Safety Act of 1990*, 15 U.S.C. section 2225a, all recipients must ensure that all conference, meeting, convention, or training space funded in whole or in part with Federal funds complies with the fire prevention and control guidelines of the *Federal Fire Prevention and Control Act of 1974*, as amended, 15 U.S.C. section 2225.

Article XX - Fly America Act of 1974

All recipients must comply with Preference for U.S. Flag Air Carriers: (air carriers holding certificates under 49 U.S.C. section 41102) for international air transportation of people and property to the extent that such service is available, in

accordance with the *International Air Transportation Fair Competitive Practices Act of 1974* (49 U.S.C. section 40118) and the interpretative guidelines issued by the Comptroller General of the United States in the March 31, 1981, amendment to Comptroller General Decision B-138942.

Article XXI - Best Practices for Collection and Use of Personally Identifiable Information (PII)

DHS defines personally identifiable information (PII) as any information that permits the identity of an individual to be directly or indirectly inferred, including any information that is linked or linkable to that individual. All recipients who collect PII are required to have a publically-available privacy policy that describes standards on the usage and maintenance of PII they collect. Award recipients may also find as a useful resource the DHS Privacy Impact Assessments: Privacy Guidance and Privacy template respectively.

Article XXII - Americans with Disabilities Act of 1990

All recipients must comply with the requirements of Titles I, II, and III of the *Americans with Disabilities Act*, which prohibits recipients from discriminating on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities. (42 U.S.C. sections 12101-12213).

Article XXIII - Age Discrimination Act of 1975

All recipients must comply with the requirements of the *Age Discrimination Act of 1975* (Title 42 U.S. Code, section 6101 *et seq.*), which prohibits discrimination on the basis of age in any program or activity receiving Federal financial assistance

Article XXIV - Activities Conducted Abroad

All recipients must ensure that project activities carried on outside the United States are coordinated as necessary with appropriate government authorities and that appropriate licenses, permits, or approvals are obtained.

Article XXV - Acknowledgment of Federal Funding from DHS

All recipients must acknowledge their use of federal funding when issuing statements, press releases, requests for proposals, bid invitations, and other documents describing projects or programs funded in whole or in part with Federal funds

Article XXVI - Federal Leadership on Reducing Text Messaging while Driving

All recipients are encouraged to adopt and enforce policies that ban text messaging while driving as described in E.O. 13513, including conducting initiatives described in Section 3(a) of the Order when on official Government business or when performing any work for or on behalf of the federal government.

Article XXVII - Federal Debt Status

All recipients are required to be non-delinquent in their repayment of any Federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowances, and benefit overpayments. See OMB Circular A-129.

Article XXVIII - False Claims Act and Program Fraud Civil Remedies

All recipients must comply with the requirements of 31 U.S.C. section 3729 - 3733 which prohibits the submission of false or fraudulent claims for payment to the Federal Government. See 31 U.S.C. section 3801-3812 which details the administrative remedies for false claims and statements made.

Article XXIX - Energy Policy and Conservation Act

All recipients must comply with the requirements of 42 U.S.C. section 6201 which contain policies relating to energy efficiency that are defined in the state energy conservation plan issued in compliance with this Act.

Article XXX - Education Amendments of 1972 (Equal Opportunity in Education Act) - Title IX

All recipients must comply with the requirements of Title IX of the Education Amendments of 1972 (20 U.S.C. section 1681 *et seq.*), which provide that no person in the United States will, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any educational program or activity receiving Federal financial assistance. DHS implementing regulations are codified at 6 C.F.R. Part 17 and 44 C.F.R. Part 19

Article XXXI - Duplication of Benefits

Any cost allocable to a particular Federal award provided for in 2 C.F.R. Part 200, Subpart E may not be charged to other Federal awards to overcome fund deficiencies, to avoid restrictions imposed by Federal statutes, regulations, or terms and conditions of the Federal awards, or for other reasons. However, this prohibition would not preclude a recipient from shifting costs that are allowable under two or more Federal awards in accordance with existing Federal statutes, regulations, or the terms and conditions of the Federal award.

Article XXXII - Drug-Free Workplace Regulations

All recipients must comply with the *Drug-Free Workplace Act of 1988* (41 U.S.C. section 701 *et seq.*), which requires all organizations receiving grants from any Federal agency agree to maintain a drug-free workplace. DHS has adopted the Act's implementing regulations at 2 C.F.R. Part 3001.

Article XXXIII - Debarment and Suspension

All recipients are subject to the non-procurement debarment and suspension regulations implementing Executive Orders 12549 and 12689, and 2 C.F.R. Part 180. These regulations restrict awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs or activities.

Article XXXIV - Copyright

All recipients must affix the applicable copyright notices of 17 U.S.C. sections 401 or 402 and an acknowledgement of Government sponsorship (including award number) to any work first produced under Federal financial assistance awards.

Article XXXV - Civil Rights Act of 1968

All recipients must comply with Title VIII of the *Civil Rights Act of 1968*, which prohibits recipients from discriminating in the sale, rental, financing, and advertising of dwellings, or in the provision of services in connection therewith, on the basis of race, color, national origin, religion, disability, familial status, and sex (42 U.S.C. section 3601 *et seq.*), as implemented by the Department of Housing and Urban Development at 24 C.F.R. Part 100. The prohibition on disability discrimination includes the requirement that new multifamily housing with four or more dwelling units i.e., the public and common use areas and individual apartment units (all units in buildings with elevators and ground-floor units in buildings without elevators) be designed and constructed with certain accessible features (See 24 C.F.R. section 100.201).

Article XXXVI - Civil Rights Act of 1964 - Title VI

All recipients must comply with the requirements of Title VI of the *Civil Rights Act of 1964* (42 U.S.C. section 2000d *et seq.*), which provides that no person in the United States will, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. DHS implementing regulations for the Act are found at 6 C.F. R., Part 21 and 44 C.F.R. Part 7.

Article XXXVII - Acceptance of Post Award Changes for the State of Nevada

In the event FEMA determines that changes are necessary to the award document after an award has been made, including changes to period of performance or terms and conditions, recipients will be notified of the changes in writing. Once notification has been made, any subsequent request for funds will indicate recipient acceptance of the changes to the award. Please call the FEMA/GMD Call Center at (866) 927-5646 or via e-mail to ASK-GMD@dhs.gov if you have any questions.

Article XXXVIII - Prior Approval Modification of Approved Budget (for the State of Nevada only)

Before making any change to the DHS/FEMA approved budget for this award, you must request prior written approval from DHS/FEMA where required by 2 C.F.R. Section 200.308. For awards with an approved budget greater than \$150,000, you may not transfer funds among direct cost categories, programs, functions, or activities without prior written approval from DHS/FEMA where the cumulative amount of such transfers exceeds or is expected to exceed ten percent (10%) of the total budget DHS/FEMA last approved. You must report any deviations from your DHS/FEMA approved budget in the first Federal Financial Report (SF-425) you submit following any budget deviation, regardless of whether the budget deviation requires prior written approval.

Article XXXIX Nondiscrimination in Matters Pertaining to Faith-Based Organizations

It is DHS policy to ensure the equal treatment of faith-based organizations in social service programs administered or supported by DHS or its component agencies, enabling those organizations to participate in providing important social services to beneficiaries. All recipients must comply with the equal treatment policies and requirements contained in 6 C.F.R Part 19 and other applicable statutes, regulations, and guidance governing the participations of faith-based organizations in individual DHS programs.

As the duly authorized representative of the applicant for Place Jurisdiction name here, I hereby certify that the applicant will comply with the above assurances and certifications.

NAME: _____ TITLE: _____

SIGNATURE: _____ DATE: _____

* Must be signed by the County Manager/Chief Financial Officer, the Tribal Chairman/designee or the state agency director as appropriate

**NEVADA DEPARTMENT OF PUBLIC SAFETY
DIVISION OF EMERGENCY MANAGEMENT
GRANT FINANCIAL AND PROGRAM ASSURANCES**

These assurances are to specify the requirements for State, Local, Indian Tribal Governments, higher education, hospitals, and other non-profit organizations while performing the administrative functions for any Federal grant funds. The applicant hereby assures compliance with the following conditions as part of the Notice of Grant Award:

I. FEDERAL SINGLE AUDIT

1. Sub-grantees shall comply with the Federal Single Audit Act (31 U.S.C. par., 7501-7507), as amended by the Single Audit Act Amendments of 1996 (P.L. 104 to 156), the sub-grantee must have an annual audit conducted in accordance with OMB Circular A-133 if the sub-grantee expends more than \$750,000 from Federal Awards. If the sub-grantee has expended more than \$750,000 in Federal dollars, a copy of the sub recipient's audit report for the previous fiscal year must be submitted to the Nevada Department of Public Safety for review within the earlier of 30 days after receipt of the auditor's report(s), or 13 months after the end of the audit period, unless a different period is specified in a program-specific audit guide. Unless restricted by law or regulation, the auditee shall make report copies available for public inspection.
 - a. Required documentation for the performance of internal audits must be provided to the Division of Emergency Management (DEM) upon request within 30 days. Grant closeout is contingent upon the DEM audit and resolution of any discrepancies. Any non-submission of required internal audit documentation could result in the delay or non-payment of reimbursement requests, the deobligation of remaining Federal funds and/or jeopardize your eligibility to receive further Federal funding through DEM.
2. Sub-grantees who expend less than the required \$750,000 under the Federal Single Audit Act (31 U.S.C. paragraph, 7501-7507), as amended by the Single Audit Act Amendments of 1996 (P.L. 104 to 156), which is incorporated into this agreement by reference, will provide to the State of Nevada Department of Public Safety uncertified financial statements, (financial statements without the opinion of an independent external auditor) including notes and a schedule of expenditures of Federal awards for sub-grantees fiscal year end, signed by the Sub-grantees executive management within the earlier of 30 days after receipt of the financial report(s), or nine months after the end of the reporting period.
3. Grant revenue and expenditure records and supporting documentation must be maintained and made available upon request by the State Division Internal Audit, Legislative Council Bureau and the DEM or any other entity as required by law to audit the sub-grantee. The sub-grantees are required if requested to respond to auditors inquiries, as required by the State of Nevada Administrative Manual (SAM) 3000, <http://nevadabudget.org/index.php/publications/sam/18-3000>

II. FISCAL RESPONSIBILITY

1. Financial management must comply with the requirements of OMB Circular A-102 or 2 CFR PART 215, whichever is applicable to sub-grantees organization, and which are incorporated into these assurances by reference.
2. All grant expenditures are to be reasonable and allowable in accordance with 2 CFR, PART 220, 2 CFR PART 225, 2 CFR PART 230, whichever is applicable to your organization, and which are incorporated into these assurances by reference.
3. **Sub-Grantees are required to adhere to the Department of Public Safety, Division of Emergency Management, and Office of Homeland Grant Management Guide.**
4. Payment made by the DEM to the sub-grantee shall be on a reimbursement basis only and is conditioned upon receipt of applicable, accurate and complete reimbursement and match supporting documentation to be submitted by the sub-grantee. All payments will be contingent upon receipt of all fiscal and programmatic reports required of the sub-grantee under these assurances.

- a. Supporting documentation shall include, but is not limited to, invoices, documented program/project deliverables, travel claims, payment vouchers, proof of payment (clearing documents), payroll reports, staffing/volunteer timesheets, contracts, bid/procurement process documentation, lease agreements, agendas, meeting attendance documentation, training documentation, After Action Reports (AAR), Authorized Equipment Lists (AEL) (if applicable), Central Contractor Registry (CCR), Excluded Parties Listing (EPLS) and must be cross-referenced to approved budgets.
- b. All equipment requested must be on the approved equipment list (AEL) (using the most current AEL from grant year and grant program that you are requesting/expending grant funds, please see www.rkb.us). The DEM will not reimburse for any equipment purchased which is not identified on the AEL list and/or not on the approved Budget Detail Matrix.
5. The sub-grantee is aware of and shall comply with the cost-sharing requirements of the Federal grant program (if applicable).
 - a. Match supporting documentation must be kept in the same manner as reimbursement supporting documentation for grant funds and meet the following criteria for costs to be eligible as match:
 1. The costs must be allowable under the grant program.
 2. The costs must be in compliance with all Federal requirements and regulations (*i.e.*, 2 CFR PART 200 and 2 CFR PART 215, PART 225, PART 230 and OMB Circular A-102 as applicable to your organization).
 3. The costs must be reasonable, allowable, allocable, and necessary.
 4. The following documentation is required for third-party cash and in-kind contributions, but is not limited to: Record of donor; Dates of donation; Rates for staffing, equipment or usage, supplies, etc.; Amounts of donation; and Deposit slips for cash contributions. According to 2 CFR PART 200, this documentation is to be held at the applicant and sub-applicant level.
 5. Except as provided by Federal statute, a cost sharing or matching requirement may not be met by costs borne by another Federal grant or Federal funding.
 6. The source of the match funds must be identified in the grant application.
 7. Every item must be verifiable, *i.e.*, tracked and documented.
 8. Any claimed cost share expense can only be counted once.
6. Indirect cost rates (IDC) included in the budget and application process are subject to the requirements of Appendix E (Indirect Cost Proposal Rates) in the CFR applicable to the sub-grantee agency (*i.e.*, 2 CFR PART 215, PART 225, PART 230, as applicable). All DEM approved indirect cost rates are determined by the specific grant program.
7. FY2016 Notice of Funding Opportunity, the section titled, Indirect (Facilities & Administrative (F&A) Cost states: A copy of the approved rate (a fully executed, agreement negotiated with the applicant's cognizant federal agency) is required at the time of application, and must be provided to FEMA before indirect cost may be charged to the award. If a subgrantee does not have a current negotiated Indirect Cost Rate agreement at the time of application is submitted, they may not allocate or charge indirect cost to the award. However, if a subgrantee obtains an Indirect Cost agreement during the award performance period, the State of Nevada SAA could submit a budget revision request as indirect costs are allowable. The subgrantee would need to specify what cost categories the cost "savings" comes from and how the reallocation of funds would impact the workplan. (EMPG Only)
8. All IDC rates for sub-grantee applications and change requests for grant Federal fiscal year 2014, 2015 and 2016 will be subject to the specific grant program language. No project change requests will be approved to change an indirect cost rate unless pre approved by FEMA.
9. Sub-grantees will comply with the Federal Granting Agency policy regarding the use of preparedness grant funding for sustainment costs. Grant funds may be used to cover only those maintenance agreements, user fees, and other sustainment costs provided during the grant performance period in which the device was purchased.
10. Sub-grantees are subject to compliance with Information Bulletin (IB) 407, dated March 9, 2016,

Use of Grant Funds for Controlled Equipment under the Presidential Executive Order (EO) 13688, Federal Support for Local Law Enforcement Equipment Acquisition issued January 16, 2015, and the recommendations pursuant to the EO 13688, which collectively establishes a Prohibited Equipment List and Controlled Equipment List and identified actions necessary to improve Federal support for the appropriate acquisition, use, and transfer of controlled equipment by state, local, tribal, territorial, and private grant recipients. All sub-grantees must adhere to IB 407 and must follow the established pre-approval processes in place per this guidance.

11. Sub-grantees may not use future year preparedness grant funding to pay for additional agreements and user fees, please refer to Information Bulletin (IB) 336. All ongoing expenses after the performance period has expired are the responsibility of the grantee/sub-grantee and will not be paid for with FEMA preparedness grant funding, (if applicable)
 - a. Sub-grantees may use FEMA preparedness grant funding to pay for maintenance agreements, user fees, and other sustainment costs as long as:
 1. The equipment was purchased with FEMA preparedness grant funding. (if applicable)
 2. The sustainment costs fall within the performance period of the grant that was used to purchase the equipment.
 - b. Sustainment costs are eligible under the equipment category unless the equipment is Management & Administration (M&A) related (grants management equipment).

III. FISCAL REPORTING RESPONSIBILITY

1. Quarterly financial reports (QFR) with supporting documentation shall be submitted to the DEM within 30 days following the close of each quarter of the sub-grant period. A QFR is required every quarter regardless if the QFR equals a zero dollar amount. The final financial report must be submitted to the DEM no later than 30 days following the end of the grant performance period. If the sub-grantee has requested an extension the report must be submitted no later than 15 days after the last day of the approved extension. Sub-grantees may not obligate funds at the end of extension and use the State Administrative Agent's (SAA) close out period to submit reports/expenditures unless extenuation circumstances exist and the approval is issued in writing to the sub-grantee. Late reports, unless approved by the DEM, could delay reimbursement or result in non-payment of the claim. All forms used for reporting are provided by the DEM. Reimbursement will be made by the DEM in a first come first serve basis. Every effort will be made by the DEM to ensure reimbursements will be made timely. The submission of inaccurate or incomplete information with unapproved reporting documentation and/or templates will result in the rejection of the quarterly report.

As applicable for grant programs, reports consist of, but are not limited to:

 - a. Division of Emergency Management Quarterly Financial Report (all grants)
 - b. Quarterly Progress Summary (all grants)
 - c. Program Narrative
 - d. Approved Detailed Budget (or approved Vulnerability Reduction Purchase Plan, VRPP)
 - e. Quarterly Project Plan/Work Plan (EMPG)
 - f. DEM reserves the right to deny any reimbursement as we are the fiduciary agency responsible for the management and administration of the federal grant funds
 - g. Compliance with HSGP Reobligation Guidelines (effective August 18, 2011). Please see attached for the complete copy of the Guidelines. (HSGP only)
2. Sub-grantee understands that, except for extraordinary circumstances that will be handled on a case-by-case basis, requests to transfer funds between budget categories or requests to purchase items not previously authorized will not be approved. Written approval must be obtained from the DEM prior to the transfer of funds between budget categories or the expenditure of funds for newly identified items. All requests must be submitted to the DEM on the approved Project Change Request form. The Project Change Request form must be accompanied by, but is not limited to, a Revised Budget Detail Matrix and written justification.
3. It is the responsibility of all sub-grantees to know and adhere to the Nevada Revised Statue (NRS) and the United States General Services Administration (GSA) or their own established policies whichever is more restrictive regarding travel and per diem rates. The submission of travel must include the following and

must adhere to the following.

- a. Travel claim signed by the traveler with all receipts such as, hotel, parking, shuttle, taxi, rental car to include additional fuel cost, conference fee invoice, flight invoice, internet search map for mileage reimbursement, formal or informal agenda from the inviting agency.
- b. Travel will not be reimbursed if the request exceeds the GSA rate found on www.gsa.gov DEM will reimburse the maximum lodging rates with a receipt and the prorated taxes on that amount only.
- c. Rental cars will only be considered if necessary with documented justification. For example the venue is located offsite and it would cost more for taxi, shuttle etc., a rental car is allowable. Rental cars are to be used solely for business travel. Mileage on rental cars will be reviewed.
- d. Travel must be accomplished by the least expensive mode practicable; DEM may request additional information if not provided at the time of submission for reimbursement.
- e. Meals provided by conference fees or other means such as invitational travel must deduct meals provided from the per diem rate. This includes Emergency Management Institute (EMI), DEM will only reimburse for the Meal Ticket cost and travel days to and from EMI.
- f. Traveler will only be allowed 75% of the per diem for the first and last day of travel unless the sub-grantee submits a more practical and approved process.
- g. Travelers must travel at a minimum of a 50 mile radius outside of their duty station or their home/departure whichever is closer to their destination to be reimbursed for per diem and lodging. Travelers may request mileage and parking if they are within the 50 mile radius of their duty station.
- h. Cancellation fees will not be reimbursed unless a justification is submitted to DEM for review and approval.
- i. Food may be provided by the sub-grantee only when necessary for the continuity of a training, exercise or meeting. Trainings, exercises or meetings must be over 6 hours in length, must stay within the per diem set forth by GSA, must be stated on the agenda "working lunch", must notify the stakeholders that they may not claim the per diem elsewhere. Must submit justification for each request outside the line item detail budget approval and must have prior written approval by the SAA to provide food. The pre-approval must be submitted with each monthly or quarterly report for reimbursement.
- j. Travel as well as all grant expenditures must adhere to the following:
 - Reasonable** - A prudent person would have purchased this item and paid this price. A cost may be considered reasonable if the nature of the goods or services, and the price paid for the goods or services, reflects the action that a prudent person would have taken given the prevailing circumstances at the time the decision to incur the cost was made.
 - Allocable** - Expenses can be allocated to the federal grant or contract activity based on benefit derived, cause and effect, or other equitable relationship.
 - Consistently Treated** - Like expenses must be treated the same in like circumstances.
 - Allowable** - Permitted as a direct cost under the terms of a specific grant or contract.
- k. DEM reserves the right to deny any reimbursement as we are the fiduciary agency responsible for the management and administration of the federal grant funds.

IV. FUNDS MANAGEMENT

1. The sub-grantee must maintain funds received under these assurances in separate ledger accounts and cannot mix these funds with other sources. The sub-grantee must manage funds according to applicable Federal regulations for administrative requirements, costs principles and audits.
2. The sub-grantee must maintain adequate business systems to comply with Federal requirements. The business systems that must be maintained include, but are not limited to: Financial Management, Procurement, Personnel, Equipment, Property and Travel.
3. A system is adequate if it is 1) written; 2) consistently followed – it applies in all similar circumstances; and 3) consistently applied – it applies to all sources of funds.
4. The sub-grantee must follow the Department of Public Safety, Division of Emergency Management Contracting and Procurement Grant Guidance dated April 19, 2011. The sub-grantee must follow 2 CFR PART 200, regarding sole source procurement. All sole sourcing requests over \$100,000 must be approved prior to procurement or a sub-grantee contractual agreement. The approval must be issued by the SAA and FEMA/DHS.
5. Compliance with HSGP Reobligation Guidelines (effective August 18, 2011). Please see attached for the

complete copy of the Guidelines

6. Sub-Grantees are required to adhere to the Department of Public Safety, Division of Emergency Management, and Office of Homeland Grant Management Guide.
7. DEM reserves the right to deny any reimbursement as we are the fiduciary agency responsible for the management and administration of the federal grant funds.

V. PROGRAM RESPONSIBILITY

1. Quarterly program reports with supporting documentation shall be submitted to the DEM within 30 days following the close of each quarter of the grant performance period. The final Program Report must be submitted to the DEM no later than 30 days following the end of the grant period. Late reports, unless approved by the DEM, could delay reimbursement. Late reports, unless approved by the DEM, could result in non-payment of the claim. All forms used for reporting are provided by the DEM. The submission of inaccurate or incomplete information and unapproved documentation will result in the rejection of the Quarterly final report.

As applicable for grant programs, reports consist of, but are not limited to:

- a. Division of Emergency Management Quarterly Financial Report (all grants)
 - b. Quarterly Progress Summary (all grants)
 - c. Program Narrative
 - d. Approved Detailed Budget
 - e. Quarterly Project Plan
2. A completed Project Plan form shall be submitted to DEM prior to issuance of any sub-grant.
 - a. The project plan must clearly document all individual projects, milestones, tasks, deliverables and timelines and must support and be traceable to the approved Budget Detail Matrix and the federally approved Investment Justification.
 - b. Late submission could result in delay of reimbursement, and failure to comply could result in non-payment of reimbursement claims.
 3. The Program Narrative for exercises shall address the following required elements of the Nevada Exercise Program (*contact the DEM for the Nevada Exercise Program instructions if applicable to your program*): All training funded by DHS grants must be pre-approved by the State DEM Training Officer. Requests for the use of Homeland Security Grant Program (HSGP) funding in support of training programs/and or individual requests must be coordinated and approved by: Your local jurisdiction, your county (Emergency Manager) or designated Training Coordinator, the State Administrative Agency(SAA) Nevada Division of Emergency Management and the SAA Training Point of Contact (TPOC). The jurisdiction/ or individuals must obtain this approval prior to any commitment for any requested training utilizing Homeland Security funds. Detailed instruction and forms are attached.
 - a. Annual participation in the Training and Exercise Plan Workshop (TEPW) to collaborate with all agencies in the development, planning and implementation of the Multi-Year Exercise and Training Plan (MYTEP) regarding training and exercise types, dates, locations, target capabilities, and/or Federal funding.
 - b. Each county-level jurisdiction will identify a National Exercise Schedule (NEXS) point of contact that will serve as the Exercise Scheduler. The county-level Scheduler will be responsible for the submission of all required exercise information to the NEXS website. This requires approval by the State Exercise Officer.
 - c. Electronic submission of the AAR/IP to the DEM within 60 days of the conduct of the exercise utilizing the DHS-approved format and process.
 1. One hard copy of the AAR/IP shall be submitted to the DEM Exercise Training Officer and one electronic copy of AAR/IP shall be submitted via the DHS Secure Portal in the Nevada Folder with an email notifying in writing the State of Nevada Exercise Training Officer of the submission.

VI. EQUIPMENT MANAGEMENT

Effective control and accountability must be maintained for all equipment acquired with Federal funds. The sub-grantee must adequately safeguard all such equipment and must assure that it is used solely for authorized purposes as described in the guidance. The sub-grantee will use, manage, and dispose of such property in accordance with 2 CFR PART 200

1. As required by 2 CFR PART 200 equipment, the DEM, for compliance monitoring purposes as policy for all state agency sub-grantees equipment/asset management internal controls/policies and procedures will follow the regulatory compliance of the Nevada State Administrative Manual 1544.0, NRS 354.625 and NRS 333.220, which applies a state mandated \$5,000.00 per unit threshold.
2. **It is important to safe guard all equipment, therefore this is a new requirement starting in Federal Fiscal Year 2014 that all sub-grantees have a policy to safeguard items that cost below \$5,000 which would be considered "high risk" for personnel use or theft. These items may include computer equipment, cell phones, iPad or items that may be assigned to an employee.**
3. As required by 2 CFR PART 200, equipment, all other Local, Indian Tribal Governments, higher education, hospitals, and other non-profit sub-grantees for compliance monitoring purposes as policy will follow the regulatory compliance of 2 CFR PART 200, which applies a federally mandated \$5,000.00 per unit threshold.
4. Accurate records maintained on all acquisitions and dispositions of property acquired with Federal awards.
5. Federally funded equipment records must contain description (including serial number or other identification number), source, who holds title, acquisition date and cost, percentage of Federal participation in the cost, location, condition, and disposition data.
6. Property tags are placed on equipment.
7. At a minimum, a physical inventory of the federally funded property must be taken and reconciled with the property records at least once every two years in accordance with 2 CFR PART 200 or by jurisdictional regulation or guidance. The certified inventory is required to be sent to DEM electronically for review. DEM may desk audit the inventory or may elect to complete a site visit.
8. Procedures established to ensure that the Federal awarding agency is appropriately reimbursed for dispositions of property acquired with Federal awards.
 - a. When the equipment is no longer needed, the grantee or sub-grantee will request disposition instructions from the Federal agency through the SAA
 - b. Items of equipment with a current per-unit fair market value of less than \$5,000 may be retained, sold or otherwise disposed of with no further obligation to the Federal awarding agency, however whenever possible the equipment should be retained and used or transferred to be used within the same general scope of work which it was originally paid under.
 - c. Items of equipment with a current per unit fair market value in excess of \$5,000 may be retained or sold and the Federal awarding agency shall have a right to an amount calculated by multiplying the current market value or proceeds from sale by the Federal awarding agency's share (*the Federal percentage of participation*) of the equipment.
9. Policies and procedures in place for responsibilities of recordkeeping and authorities for disposition.

VII. SUB-GRANTEE MONITORING

The sub-grantee agrees to participate in DEM's annual monitoring visits and to follow up and take corrective action on all identified non-conformances and observations with action, which includes, but is not limited to, the submission and implementation of corrective action plans to the DEM.

1. The sub-grantee is responsible for follow-up and corrective action on all non-conformances and observations with action from the DEM.
2. The sub-grantee shall prepare a corrective action plan(s) for identified non-conformances and observations with action.
3. The sub-grantee will implement the approved corrective action plan(s) for non-conformances and observations with action.

VIII. OWNERSHIP OF INFORMATION, PRINTED AND PUBLISHED MATERIAL

1. Any publication, invention, patent, photograph, negative, book, drawing, record, document, or other material prepared by the sub-grantee in the performance of its obligations under this grant shall follow 2 CFR Appendix A Part 220 and 2 CFR 200.315. All publication, invention, patent, photograph, negative, book, drawing, record, document, or other material prepared by the sub-

grantee in the performance of its obligations under this grant shall be provided to the State of Nevada for review and archival in the grant file.

2. Whenever possible equipment, real property, public service announcements, etc., should reflect, "made possible by the Nevada Department of Public Safety Division of Emergency Management and paid for by FEMA/DHS." (example only for HSGP grants- other grants please see DEM) All items above must be prior approved before procuring.
3. Under Section I. 1 and 2. above all items must be pre-approved in advance by DEM in order to be reimbursable. Federal granting agency retains ownership of all publications, inventions, patents, photographs, negatives, books, drawings, records, documents or other material prepared by the sub-grantee in the performance of its obligations to the grant.

IX. IDEMNIFICATION

To the extent limited in accordance with NRS 41.0305 to NRS 41.039, if applicable, sub-grantee agrees to indemnify, save and hold the state, its agents and employees harmless from any and all liability, claims, actions, damages, losses, and expenses, including without limitation, reasonable attorneys' fees and costs, arising out of any alleged negligent or willful acts or omissions of this agreement by sub-grantee, its agents or employees.

X. CONFIDENTIALITY OF RECORDS

1. If this grant funds any form of written or visual material that identifies employees of the DEM, prior approval must be obtained from the DEM before publishing or finalization.

XI. ASSIGNMENT AND DELEGATION

1. The sub-grantee shall neither assign, transfer nor delegate any rights, obligations or duties under this Notice of Grant Award without prior approval of the DEM, which includes sub-sub granting funds without prior knowledge or approval of DEM.

XII. DEBARMENT CERTIFICATION

1. The sub-grantee agrees to comply with the Federal Debarment and Suspension regulations as outlined in the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions". Proof of debarment search must be provided to DEM for our records.

XIII. CONTRACTORS

1. The sub-grantee may enter into a written contract(s) for products and/or services pertaining to its functions under the grant award in accordance with terms established in the State of Nevada procurement policy, OMB Circulars, the DHS Financial Management Guide, and the DHS Program Guides or specific DHS, FEMA, DOE federal grant guidance. All contract scope of work must be reviewed and approved by DEM. All contracts must be submitted for the grant file and debarment searches must be provided in hard copy for DEM records.
2. The sub-grantee agrees and understands that no contract or agreement that the sub-grantee enters into with respect to performance under the grant award shall in any way relieve the sub-grantee of any responsibilities for performance if its duties.
3. The sub-grantee must follow the Department of Public Safety, Division of Emergency Management Contracting and Procurement Grant Guidance dated April 19, 2011. The sub-grantee must follow the 2 CFR PART 200, regarding sole source procurement. All sole sourcing requests over \$100,000 must be approved prior to procurement or a sub-grantee contractual agreement. The approval must be issued by the SAA and FEMA/DHS.
4. All contracts and or procurement will follow the open and free competitive bid process.

XIV. NATIONAL INCIDENT MANAGEMENT SYSTEM (NIMS)

1. The Department of Homeland Security released the National Incident Management System (NIMS) as required by Homeland Security Presidential Directive (HSPD) 8 Management of Domestic Incidents and Preparedness. HSPD-5 established and designated the National Integration Center (NIC) Incident Management Systems Division as the lead Federal entity to coordinate NIMS compliance.
2. To be eligible to receive grant funding, applicants must meet NIMS compliance requirements. State, Territory, Tribal, and local governments are considered to be in full NIMS compliance if they have adopted and/or implemented compliance activities, as determined by the National Incident Management System

Capability Assessment Support Tool (NIMSCAST) or other accepted means. Additional information on achieving compliance is available at <http://www.fema.gov/emergency/nims/>

XV. APPLICABLE FEDERAL REGULATIONS

The sub-grantee must comply with the Office of Management and Budget (OMB) Circulars and other Federal guidance including but not limited to:

1. Grant Program Guidance issued by the U.S. Department of Homeland Security, at <http://www.fema.gov/government/grant/index.shtm>
2. OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, at http://www.whitehouse.gov/omb/circulars_a133/
3. OMB Circular A-102, Grants and Cooperative Agreements with State and Local Governments, at http://www.whitehouse.gov/omb/circulars_a102/
4. 2 CFR PART 215, Uniform administrative requirements for grants and agreements with institutions of higher education, hospitals, and other non-profit organizations (OMB A-110), at <http://www.whitehouse.gov/omb/assets/omb/circulars/a110/2cfr215-0.pdf>
5. 2 CFR PART 220, Cost Principles for Educational Institutions (OMB 2 CFR, PART 220), at http://www.whitehouse.gov/omb/assets/omb/fedreg/2005/083105_a21.pdf
6. 2 CFR PART 225, Cost Principles for State, Local, and Indian Tribal Governments (OMB A-87), at http://www.whitehouse.gov/omb/assets/omb/fedreg/2005/083105_a87.pdf
7. 2 CFR PART 230, Cost Principles for Non-Profit Organizations (OMB A-122), at http://www.whitehouse.gov/omb/assets/omb/fedreg/2005/083105_a122.pdf
8. 2 CFR PART 200, Emergency Management and Assistance, at http://www.access.gpo.gov/nara/cfr/waisidx_08/44cfr13_08.html
9. U.S. Department of Homeland Security Authorized Equipment List (AEL) available at <https://www.rkb.us/mel.cfm?subtypeid=549>

XVI. Environmental Historical Preservation (EHP)

The all sub-grantees will follow the EHP requirements set forth by the Federal granting agency. The sub-grantee will not undertake any project having the potential to impact Environment and Historical Preservation (EHP) resources without the prior written approval of the Federal granting agency, including but not limited to ground disturbance, construction, modification of structures, and purchase and use of sonar equipment. Sub-grantees must comply with all conditions placed on the project as a result of the EHP review. Any change to the approved project scope of work will require a re-evaluation for compliance with these EHP requirements.

Any construction or renovation activities defined by the SAA's office that have been initiated without the necessary EHP review and approval will result in a non-compliance funding and will not be eligible for Federal funding.

Construction includes the following and requires EHP approval:

1. Training and Exercises
2. Purchase of Equipment
3. Physical Security Enhancements
4. Renovation/Upgrades, Modifications to existing structures (which include drywall, paint, carpet or any modifications to existing structure etc.)
5. New Construction or New Additions
6. Communication Towers and related equipment, equipment shelters
7. Other activities that may apply under the EHP section

Please see the link provided for Information Bulletin (IB) 371 Environmental Historical Review Process http://www.fema.gov/doc/government/grant/bulletins/info329_final_screening_memo.docx

XVII. TERMINATION

The DEM retains the right to terminate this sub-grant, for cause, at any time before completion of the grant period when it has determined that the sub-grantee has failed to comply with the conditions of these assurances.

1. The DEM reserves the right to terminate the grant in whole or in part due to the failure of the sub-grantee to comply with any term or condition of the signed and agreed upon assurances, failure to implement

audit/monitoring recommendations within the prescribed period of time, failure to communicate with or respond to any State Administrative Agency (SAA) request or communication, to acquire and maintain all required insurance policies, bonds, licenses, permits and certifications or to make satisfactory progress in performing the program, financial and administrative requirements of the grant.

2. The DEM staff shall provide written notice of the termination and the reasons for such actions to the sub-grantee.
3. The DEM may, upon termination of the award, procure, on terms and in the manner that it deems appropriate, materials or services to replace those described in the project description of the grant award. The sub-grantee shall be liable to the DEM for any excess costs incurred by the DEM in procuring equivalent materials or services in substitution for materials or services described in the project description of the grant award.



As the duly authorized representative of the applicant for Place Jurisdiction name here, I hereby certify that the applicant will comply with the above assurances and certifications.

NAME: _____ TITLE: _____

SIGNATURE: _____ DATE: _____

- Must be signed by the County Manager/Chief Financial Officer, the Tribal Chairman/designee or the state agency director as appropriate



Storey County Board of County Commissioners

Agenda Action Report

Meeting date:

Estimate of time required:

Agenda: Consent ☐ Regular agenda ☒ Public hearing required ☐

1. **Title:** Review and Possible Approval of Agreed – Upon Procedures presented by Grant Thornton LLP Certified Public Accounting Firm pertaining to audit engagement with Tesla.

2. **Recommended motion**

I hereby approve the Agreed-Upon Procedures presented Grant Thornton LLP with regards to sales tax audits of Tesla for reimbursement by Storey County to Tesla and allow the Comptroller of Storey County to sign such document.

3. **Prepared by:** Hugh Gallagher

Department: Comptroller

Telephone: (775) 847-1006

4. **Staff summary:**

5. **Supporting materials:**

Document pertaining to Scope of agreed-upon procedures submitted by Grant Thornton.

6. **Fiscal impact:**

Funds Available:

Fund:

 x Comptroller

7. **Legal review required:**

 District Attorney

8. **Reviewed by:**

 Department Head

Department Name: Commissioner's Office

 County Manager

Other agency review:

9. **Board action:**

☐ Approved

☐ Approved with Modifications

☐ Denied

☐ Continued

Agenda Item No. **11**



July 13, 2018

Mr. Hugh Gallagher
Comptroller, Storey County, NV
P.O. Box 432
Virginia City, NV 89940

Grant Thornton LLP
100 West Liberty Street, Suite 770
Reno, NV 89501-1965
T 775.786.1520
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Dear Mr. Gallagher:

Grant Thornton LLP ("Grant Thornton") has been engaged by Tesla, Inc. (the "Company") to apply certain agreed-upon procedures to the Company's Schedule of Sales Tax Remitted to the State of Nevada related to the project costs for costs incurred between July 2016 through May 2018, and each month thereafter until terminated by either party (the "Subject Matter") solely for the purpose of assisting the Company and Storey County, Nevada (collectively, the "Specified Parties") in connection with determining the accuracy of the sales tax claim submitted for reimbursement relating to sales tax paid to the State of Nevada and allocated to Storey County, Nevada by all Participants and Contractors. This letter (the "Acknowledgment") documents Storey County, Nevada's understanding of matters relating to the agreed-upon procedures engagement described herein.

Scope of agreed-upon procedures

An agreed-upon procedures engagement, performed in accordance with attestation standards established by the American Institute of Certified Public Accountants, consists of issuing a report of findings based on specific procedures performed on subject matter. Agreed-upon procedures are performed solely to assist specified parties in evaluating the subject matter as a result of a need or needs of specified parties. Because specified parties best understand their own needs, the specified parties assume responsibility for the sufficiency of the procedures.

An agreed-upon procedures engagement does not constitute an audit, examination, or review, the objective of which is the expression of an opinion or limited assurance. Accordingly, agreed-upon procedures cannot be relied upon to disclose errors, fraud, or illegal acts. In addition, an agreed-upon procedures engagement does not constitute a legal determination of a company's compliance with specified requirements. However, in connection with the agreed-upon procedures, if matters come to a practitioner's attention by other means that significantly contradict the subject matter (or written assertion related thereto), those matters are disclosed in the practitioner's report.

The overall objective is the completion of the agreed-upon procedures and the rendering of a report in the form of procedures and findings. Accordingly, Grant Thornton will not express an opinion or any other form of assurance. The sufficiency of the agreed-upon procedures is solely the responsibility of the Specified Parties. Consequently, we accept no responsibility and make no representation regarding the sufficiency of the agreed-upon procedures either for the purpose for which our report has been requested

or for any other purpose. We will not perform procedures beyond the agreed-upon procedures identified herein or determine the differences between the agreed-upon procedures to be performed and the procedures that we would have determined to be necessary had we been engaged to perform another form of attest engagement.

It is possible that because of unexpected circumstances, we may determine that we are unable to issue a report or complete the engagement.

Specified party acknowledgment

Storey County, Nevada, as a specified party, must agree upon the procedures to be performed and take responsibility for the sufficiency of those procedures. The procedures we will perform on the Subject Matter, which is the Company's responsibility, are described in Appendix A. Each specified party must independently conclude that the agreed-upon procedures are sufficient for its purposes.

By signing this Acknowledgment, you agree to the procedures to be performed and accept responsibility for their sufficiency for your purposes. In addition, you should complete your own due diligence in connection with your investigation to the extent you consider necessary. It is understood that the reading of the report does not substitute for your own due diligence.

Use of our report

Our report is intended solely for the information and use of the Specified Parties and is not intended to be, and should not be, used by anyone other than these Specified Parties. Accordingly, the use of our report will be restricted to such parties.

Our report is not intended for a non-specified party's (parties other than those identified in our report or otherwise named as specified parties) benefit, use, or reliance, and therefore, Grant Thornton disclaims any contractual or other responsibility or duty of care to non-specified parties. Unless required by law or regulation, our report should not be publicized or referred to in any document, electronic site, or other forum.

Relationship to Grant Thornton International Ltd

Grant Thornton is the U.S. member firm of Grant Thornton International Ltd ("GTIL"), an organization of independently owned and managed accounting and consulting firms. References to GTIL are to Grant Thornton International Ltd. GTIL and the member firms are not a worldwide partnership. Services are delivered independently by the member firms. These firms are not members of one international partnership or otherwise legal partners with each other internationally, nor is any one firm responsible for the services or activities of any other firm.

Standards of performance

Grant Thornton will perform its services for the Company in conformity with the terms expressly set forth in the Engagement Letter between the Company and Grant Thornton, including all applicable professional standards. Accordingly, these services shall be evaluated solely on our substantial conformance with such terms and standards. Any claim of nonconformance must be clearly and convincingly shown.

With respect to these services and this Acknowledgment and Storey County, Nevada's use of and access to our report, in no event shall the liability of Grant Thornton and its present, future, and former partners, principals, directors, employees, agents, and contractors for any claim, including but not limited to Grant Thornton's own negligence, exceed the fees it receives for the portion of the work giving rise to such liability. This limitation shall not apply to the extent that it is finally determined that any claims, losses, or damages are the result of Grant Thornton's gross negligence or willful misconduct. In addition, Grant

Thornton shall not be liable for any special, consequential, incidental, or exemplary damages or loss (nor any lost profits, interest, taxes, penalties, loss of savings, or lost business opportunity) even if Grant Thornton was advised in advance of such potential damages. This paragraph and the paragraph directly below shall apply to any type of claim asserted, including contract, statute, tort, or strict liability, whether by the Company, Storey County, Nevada, Grant Thornton, or others.

Further, Storey County, Nevada shall, upon receipt of written notice, indemnify and hold harmless Grant Thornton and its present, future, and former partners, principals, directors, employees, agents, and contractors from and against any liability and damages (including punitive damages), fees, expenses, losses, demands, and costs (including defense costs) associated with any claim arising from or relating to Storey County, Nevada's unauthorized use or disclosure of our report. In the event of any controversy or claim against Grant Thornton arising from or related to Storey County, Nevada use of and access to our report or Storey County, Nevada unauthorized use or disclosure of our report, Grant Thornton shall be entitled to defend itself from such controversy or claim and to participate in any settlement, administrative, or judicial proceedings.

It is expressly agreed by Storey County, Nevada and Grant Thornton that any claim by, or on behalf of either party, arising out of services or this Acknowledgment, whether it be in contract, tort, or otherwise, shall be deemed waived if a claim is asserted more than two (2) years from: (i) the date of the report(s) issued by Grant Thornton; or (ii) the date of this Acknowledgment if no report has been issued.

If because of a change in Storey County, Nevada's status or due to any other reason, any provision in this Acknowledgment would be prohibited by laws, regulations, or published interpretations by governmental bodies, commissions, state boards of accountancy, or other regulatory agencies, such provision shall, to that extent, be of no further force and effect, and the Acknowledgment shall consist of the remaining portions.

Authorization

Please confirm your acceptance of the terms herein by signing below and returning one copy of the Acknowledgment, which includes Appendix A, to us in the enclosed self-addressed envelope.

Sincerely,

GRANT THORNTON LLP



Daniel A. Flowers
Partner

DAF:th

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Enc: Appendix A – Agreed-Upon Procedures

Agreed and accepted by:

STOREY COUNTY, NEVADA

Hugh Gallagher, Comptroller

Date: _____

Appendix A – Agreed-Upon Procedures

This Appendix A identifies the agreed-upon procedures that will be applied by Grant Thornton on the Subject Matter solely for the purpose of assisting the Specified Parties in connection with determining the accuracy of the sales tax claim submitted for reimbursement relating to sales tax paid to the State of Nevada and allocated to Storey County, Nevada by all Participants and Contractors. The Company is responsible for the Subject Matter.

The sufficiency of the agreed-upon procedures is solely the responsibility of the Specified Parties. Consequently, Grant Thornton accepts no responsibility and makes no representation regarding the sufficiency of the agreed-upon procedures either for the purpose for which our report has been requested or for any other purpose.

Agreed-upon procedures

The procedures Grant Thornton will perform on the Subject Matter are listed below.

- We will obtain the Schedule of Sales Tax Remitted to the State of Nevada from the Company, listing all sales tax for which the Company is filing a claim to Storey County, Nevada related to the specific project costs incurred for the period of July 2016 through May 2018 and each month thereafter.
- We will agree all amounts on the Schedule to the sales tax returns submitted by the Participants or Contractors during the period.
- We will foot and recalculate the sales tax returns, ensuring all sales tax returns were for Storey County, Nevada at 2.75%.

Grant Thornton will report all findings from the application of the agreed-upon procedures.



Storey County Board of County Commissioners

Agenda Action Report

Meeting date: October 2, 2018

Estimate of time required: 15 min.

Agenda: Consent [] Regular agenda [X] Public hearing required []

1. **Title:** For possible action: consideration and possible action on first reading of ordinance no. 18 - 295 creating the Tahoe-Reno Industrial Center Tax Increment Area pursuant to Nevada Revised Statutes NRS Chapter 278C; ordering an undertaking relating to the tax increment area; creating the tax increment account for the undertaking; and ratifying action taken by County officers toward the undertaking and the tax increment area.

2. **Recommended motion:** I, Commissioner (name), move to introduce on first reading ordinance no. 18 - 295 creating the Tahoe-Reno Industrial Center Tax Increment Area pursuant to Nevada Revised Statutes NRS Chapter 278C; ordering an undertaking relating to the tax increment area; creating the tax increment account for the undertaking; and ratifying action taken by County officers toward the undertaking and the tax increment area.

3. **Prepared by:** Pat Whitten

Department: Commissioner's Office

Telephone: 847-0968

4. **Staff summary:** The Board of County Commissioners (the "Board") of Storey County, Nevada (the "County") received a request from Eagle Valley Acquisition LLC, TRIC Acquisition, LLC, Silver Slate LLC, Comstock TRIC Associates, LLC, Supernap Reno, LLC, Tesla, Inc. (fka Tesla Motors, Inc.), 1200 USA Pkwy LLC, and Emerald City Empire, LLC (collectively, the "Owners") to order an undertaking pursuant to Nevada Revised Statutes ("NRS") Chapter 278C (the "Act") for a water project as defined in NRS 278C.140 (the "Undertaking"). On September 5, 2018, the State of Nevada's Interim Finance Committee approved the Undertaking, which constitutes a natural resources project pursuant to the Act. On September 6, 2018, the Board adopted a resolution ordering the County's engineer to prepare preliminary plans, cost estimates and related items to pay the costs of the Undertaking, and Farr West Engineering, as the County's engineer, prepared such preliminary plans, cost estimates and related items to pay the costs of the Undertaking. After review of the preliminary plans, cost estimates and related items placed on file with the County Clerk, the Board provisionally ordered the Undertaking by adoption of a resolution on September 6, 2018. A public hearing on the Undertaking was held on October 2, 2018, and a public hearing will be held on the Undertaking on October 16, 2018.

This ordinance authorizes the creation of the Tahoe-Reno Industrial Center Tax Increment Area (the "Area") and orders the Undertaking. The tax increment revenues will pay, in whole or in part, the costs of such an Undertaking, including (i) advances by the County for administrative costs associated with administering the contracts for the reimbursement of the Owners described in (vi) below, (ii) advances by the County for draws on a debt service reserve fund pledged to the Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center), Local Improvement Bond, Series 2018 (the "Bond"), (iii) advances by the County from assessment payments to pay principal and interest on the Bond as a result of assessment payment delinquencies, (iv) advances by the County pursuant to NRS 360.990(3)(a)(4), including any uncommitted balance of the general fund of the County utilized for the repayment of general obligations bonds of the State of Nevada (the "State") in accordance with NRS 360.990(3)(a)(4), (v) payments by the State from its General

Fund on its general obligation bonds issued to finance the Undertaking in accordance with NRS 360.990(3)(a)(4), and (vi) as more fully provided in the Act, specifically NRS 278C.150, 278C.157 and NRS 278C.250, payments under contracts with the Owners to reimburse the Owners for costs incurred by the Owners in connection with the Undertaking, and all appurtenances and incidentals necessary, useful or desirable, including real and other property therefor, which is more particularly described (with all segment lengths to be current approximations subject to minor adjustment). This ordinance sets forth the boundaries of the Area, details of the Undertaking and creates the "Tax Increment Account" for the Undertaking.

Final adoption (second reading) of this ordinance will be considered by the Board on October 16, 2018 following a public hearing thereon.

5. **Supporting materials:** Ordinance No. 18 - 295

6. **Fiscal impact:** Yes Comptroller: _____

Tax increment revenues generated and collected in the Area will consist of taxes levied upon taxable property in the Area each year, any tax on the sale or use of tangible personal property and any tax imposed pursuant to NRS 363A.130 and 363B.110 by or for the benefit of the State of Nevada, the County and any public body, which must be allocated, divided and disposed of as provided in NRS 278C.250. The Area may generate as much as approximately \$[1.3] billion in tax increment revenues over the life of the Area, of which \$___ are estimated to benefit the County.

7. **Legal review required:** Yes
KL – District Attorney
KF – Bond Counsel

8. **Reviewed by:**

____ Department Head Department Name: Commissioner's Office
____ County Manager Other agency review: _____

9. **Board action:**
☐ Approved ☐ Approved with Modifications
☐ Denied ☐ Continued

Agenda Item No. 12

Summary- An ordinance creating the Tahoe-Reno Industrial Center Tax Increment Area and ordering an undertaking relating to the tax increment area pursuant to Nevada Revised Statutes Chapter 278C, ratifying action taken by County officers toward the undertaking and the tax increment area and providing other matters related thereto.

BILL NO. 104

ORDINANCE NO. 18-295

AN ORDINANCE CREATING THE TAHOE-RENO INDUSTRIAL CENTER TAX INCREMENT AREA PURSUANT TO NEVADA REVISED STATUTES CHAPTER 278C; ORDERING AN UNDERTAKING RELATING TO THE TAX INCREMENT AREA; CREATING THE TAX INCREMENT ACCOUNT FOR THE UNDERTAKING; RATIFYING ACTION TAKEN BY COUNTY OFFICERS TOWARD THE UNDERTAKING AND THE TAX INCREMENT AREA; AND PROVIDING OTHER MATTERS RELATED THERETO.

WHEREAS, the Board of County Commissioners (the "Board") of Storey County, Nevada (the "County") has received a request from Eagle Valley Acquisition LLC, TRIC Acquisition, LLC, Silver Slate LLC, Comstock TRIC Associates, LLC, Supernap Reno, LLC, Tesla, Inc. (fka Tesla Motors, Inc.), 1200 USA Pkwy LLC, and Emerald City Empire, LLC (collectively, the "Owners") to order an undertaking pursuant to Nevada Revised Statutes ("NRS") Chapter 278C (the "Act") for a water project as defined in NRS 278C.140 (the "Undertaking") and to pay with tax increment revenues, in whole or in part, the costs of such an Undertaking, including (i) advances by the County for administrative costs associated with administering the contracts for the reimbursement of the Owners described in (vi) below, (ii) advances by the County for draws on a debt service reserve fund pledged to the Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center), Local Improvement Bond, Series 2018 (the "Bond"), (iii) advances by the County from assessment payments to pay principal and interest on the Bond as a result of assessment payment delinquencies, (iv) advances by the County pursuant to NRS 360.990(3)(a)(4), including any uncommitted balance of the general fund of the County utilized for the repayment of general obligations bonds of the State of Nevada (the "State") in accordance with NRS 360.990(3)(a)(4), (v) payments by the State from its General Fund on its general obligation bonds issued to finance the Undertaking in accordance

with NRS 360.990(3)(a)(4), and (vi) as more fully provided in the Act, specifically NRS 278C.150, 278C.157 and NRS 278C.250, payments under contracts with the Owners to reimburse the Owners for costs incurred by the Owners in connection with the Undertaking, and all appurtenances and incidentals necessary, useful or desirable, including real and other property therefor, which is more particularly described (with all segment lengths to be current approximations subject to minor adjustment); and

WHEREAS, the Undertaking constitutes a "natural resources project" pursuant to NRS 278C.075(4); and

WHEREAS, on September 5, 2018, the Interim Finance Committee approved the Undertaking in accordance with NRS 278C.157; and

WHEREAS, on September 6, 2018, the Board adopted a resolution ordering the County's engineer to prepare preliminary plans, cost estimates and related items to pay the costs of the Undertaking; and

WHEREAS, Farr West Engineering, as the County's engineer (the "Engineer"), has prepared such preliminary plans, cost estimates and related items to pay the costs of the Undertaking and they are on file with the County Clerk; and

WHEREAS, the Board has reviewed such preliminary plans, cost estimates and related items to pay the costs of the Undertaking; and

WHEREAS, the Board has, by a resolution previously adopted on September 6, 2018(the "Provisional Order Resolution"), provisionally ordered the Undertaking related to a tax increment area to be formed pursuant to the Act; and

WHEREAS, pursuant to the Provisional Order Resolution, the County Clerk (the "County Clerk") gave notice by publication, posting and mailing of the time and place of the hearing thereon, in the manner required by the Act; and

WHEREAS, the manner of giving such notice by mail, publication and posting was reasonably calculated to inform the parties of the proceedings concerning the Undertaking and the proposed tax increment area which might directly and adversely affect their legally protected interests; and

WHEREAS, the Federal Government, the State, any public body, or any person who resides in the County or owns taxable personal or real property in the County, or any representative of any such person (each an "Interested Party" and collectively, the "Interested

Parties") were permitted to file a written complaint, protest or objection or to appear before the Board on Tuesday, October 16, 2018, and be heard as to the propriety and advisability of the Undertaking provisionally ordered and the proposed tax increment area related thereto; and

WHEREAS, the Board has now considered each and every written protest and objection and all oral complaints, protests and objections made at the hearing, and the Board finds that each and every written or oral protest or objection is without sufficient merit and is hereby overruled and denied; and

WHEREAS, the plans, estimates and statements prepared by the Engineer and on file with the County Clerk are satisfactory to the Board, and the Board desires to create the tax increment area, order the Undertaking and create the tax increment account for the Undertaking; and

WHEREAS, pursuant to NRS 278C.157(1)(d) and upon creation of the tax increment area, the County intends to enter into a reimbursement agreement with the Owners pursuant to which the County agrees to pay certain tax increment revenues from the tax increment account created by NRS 278C.250 to the Owners for costs incurred by such Owners in connection with the Undertaking.

NOW, THEREFORE, THE BOARD OF COUNTY COMMISSIONERS OF STOREY COUNTY, NEVADA, DOES ORDAIN:

Section 1. This ordinance shall be known as, and may be cited by, the short title "Tahoe-Reno Industrial Center Tax Increment Area Creation Ordinance" (the "Ordinance").

Section 2. The Board has determined and does hereby determine that each and every complaint, protest and objection filed or otherwise made is without sufficient merit, and that the same is hereby overruled and finally passed on by the Board.

Section 3. Pursuant to NRS 278C.220(1), the Board has also determined and does hereby declare that the public interest and necessity require the creation of the Area and the ordering of the Undertaking to promote economic development in the County, and certain of the tax increment revenues from the Area allocated, divided and disposed of as provided in NRS 278C.250 shall benefit the County.

Section 4. Pursuant to Section 278C.270 of the Act, any Interested Party who filed a written complaint, protest or objection may, within 30 days after the effective date of this Ordinance (i.e., the date on which the Board will have finally passed on the complaint, protest or

objection), commence an action or suit in a court of competent jurisdiction to correct or set aside the determination, but thereafter all actions or suits attacking the validity of the proceedings are perpetually barred.

Section 5. The Tahoe-Reno Industrial Center Tax Increment Area (the "Area") pertaining to the Undertaking is hereby created. Unless otherwise dissolved by action of the Board, the Area shall expire on the date which is 25 years from the effective date of this Ordinance. The boundaries of the Area shall be described by the following assessor parcel numbers ("APNs") and legal descriptions:

APN 005-111-12

That certain real property located in Section 31, T20N, R23E, M.D.M. shown as Parcel 2007-77 on that Record of Survey recorded as File No. 107228 in the Official Records of Storey County, Nevada.

APN 005-111-66

That certain real property located in Section 36, T20N, R23E, M.D.M. shown as Parcel 2017-53 on that Record of Survey recorded as File No. 127029 in the Official Records of Storey County, Nevada.

APN 005-111-67

That certain real property located in Section 31, T20N, R23E, M.D.M. shown as Parcel 2017-55 on that Record of Survey recorded as File No. 127031 in the Official Records of Storey County, Nevada.

APN 005-011-81

That certain real property located in Sections 18 and 19, T19N, R22E, M.D.M. shown as Parcel 2017-35 on that Record of Survey recorded as File No. 127016 in the Official Records of Storey County, Nevada.

APN 005-011-84

That certain real property located in Section 18, T19N, R23E, M.D.M. shown as Parcel 2017-38 on that Record of Survey recorded as File No. 127018 in the Official Records of Storey County, Nevada.

APN: 005-011-58

That certain real property located in Sections 20, 21, 28, and 29, T19N, R23E, M.D.M. shown as Parcel 2016-26 on that Record of Survey recorded as File No. 125488 in the Official Records of Storey County, Nevada.

APN: 005-011-65

That certain real property located in Sections 17, 20, and 21, T19N, R23E, M.D.M. shown as Parcel 2017-16 on that Record of Survey recorded as File No. 126225 in the Official Records of Storey County, Nevada.

APN: 005-011-66

That certain real property located in Section 17, T19N, R23E, M.D.M. shown as Parcel 2017-19 on that Record of Survey recorded as File No. 126225 in the Official Records of Storey County, Nevada.

APN: 005-011-70

That certain real property located in Sections 17, 18, 19 and 20, T19N, R23E, M.D.M. shown as Parcel 2017-14 on that Record of Survey recorded as File No. 126223 in the Official Records of Storey County, Nevada.

APN 005-011-45

That certain real property located in Sections 14 and 15, T19N, R22E, M.D.M. shown as Parcel 2015-27 on that Record of Survey recorded as File No. 122561 in the Official Records of Storey County, Nevada.

APN 005-011-46

That certain real property located in Sections 22 and 23, T19N, R22E, M.D.M. shown as Parcel 2015-28 on that Record of Survey recorded as File No. 122561 in the Official Records of Storey County, Nevada.

APN 005-011-48

That certain real property located in Sections 14, 15, and 23, T19N, R22E, M.D.M. shown as Parcel 2015-31 on that Record of Survey recorded as File No. 122563 in the Official Records of Storey County, Nevada.

APN 005-011-49

That certain real property located in Sections 13, 14, and 23, T19N, R22E, M.D.M. shown as Parcel 2015-32 on that Record of Survey recorded as File No. 122565 in the Official Records of Storey County, Nevada.

APN 005-011-50

That certain real property located in Section 23, T19N, R22E, M.D.M. shown as Parcel 2015-33 on that Record of Survey recorded as File No. 122565 in the Official Records of Storey County, Nevada.

APN 005-011-85

That certain real property located in Sections 16 and 17, T19N, R22E, M.D.M. shown as Parcel 2017-39 on that Record of Survey recorded as File No. 127018 in the Official Records of Storey County, Nevada.

APN 005-011-89

That certain real property located in Sections 15, 16, 21, and 22, T19N, R22E, M.D.M. shown as Parcel 2017-61 on that Record of Survey recorded as File No. 127035 in the Official Records of Storey County, Nevada.

APN 005-071-08

That certain real property located in Section 14, T19N, R22E, M.D.M. shown as Parcel 2008-5 on that Record of Survey recorded as File No. 108658 in the Official Records of Storey County, Nevada.

APN 005-071-12

That certain real property located in Section 14, T19N, R22E, M.D.M. shown as Parcel 2008-6 on that Record of Survey recorded as File No. 108658 in the Official Records of Storey County, Nevada.

APN 005-071-57

That certain real property located in Sections 10 and 11, T19N, R22E, M.D.M. shown as Parcel 2018-13 on that Record of Survey recorded as File No. 127272 in the Official Records of Storey County, Nevada.

APN 005-081-07

That certain real property located in Section 14, T19N, R22E, M.D.M. shown as Parcel 2015-10 on that Record of Survey recorded as File No. 122160 in the Official Records of Storey County, Nevada.

APN 005-081-10

That certain real property located in Sections 14 and 15, T19N, R22E, M.D.M. shown as Parcel 2015-25 on that Record of Survey recorded as File No. 122561 in the Official Records of Storey County, Nevada.

APN 005-091-29

That certain real property located in Section 12, T19N, R22E, M.D.M. shown as Parcel 2014-4 on that Record of Survey recorded as File No. 120562 in the Official Records of Storey County, Nevada.

APN 005-091-42

That certain real property located in Section 1, T19N, R22E, M.D.M. shown as Parcel 2014-34 on that Record of Survey recorded as File No. 121588 in the Official Records of Storey County, Nevada.

APN 005-091-44

That certain real property located in Sections 1 and 6, T19N, R22E and R23E, M.D.M. shown as Parcel 2015-3 on that Record of Survey recorded as File No. 121903 in the Official Records of Storey County, Nevada.

APN 005-091-45

That certain real property located in Section 1, T19N, R22E, M.D.M. shown as Parcel No. 2015-4 on that Record of Survey recorded as File No. 121903 in the Official Records of Storey County, Nevada.

APN 005-091-47

That certain real property located in Section 1, T19N, R22E, M.D.M. shown as Parcel No. 2015-34 on that Record of Survey recorded as File No. 123219 in the Official Records of Storey County, Nevada.

APN 005-091-49

That certain real property located in Section 1, T19N, R22E, M.D.M. shown as Parcel No. 2015-36 on that Record of Survey recorded as File No. 123219 in the Official Records of Storey County, Nevada.

APN 005-091-52

That certain real property located in Sections 1 and 12, T19N, R22E, M.D.M. shown as Parcel No. 2015-38 on that Record of Survey recorded as File No. 123221 in the Official Records of Storey County, Nevada.

APN 005-111-48

That certain real property located in Sections 1 and 6, T19N, R22E and R23E, M.D.M. shown as Parcel No. 2012-13 on that Record of Survey recorded as File No. 117725 in the Official Records of Storey County, Nevada.

APN: 005-051-29

That certain real property located in Section 2, T19N, R22E, M.D.M. shown as Parcel 2005-5 on that Record of Survey recorded as File No. 099901 in the Official Records of Storey County, Nevada.

APN: 005-051-30

That certain real property located in Section 2, T19N, R22E, M.D.M. shown as Parcel 2005-1A1D on that Record of Survey recorded as File No. 101973 in the Official Records of Storey County, Nevada.

APN: 005-051-53

That certain real property located in Section 2, T19N, R22E, M.D.M. shown as Parcel 2014-33 on that Record of Survey recorded as File No. 121590 in the Official Records of Storey County, Nevada.

APN: 005-051-57

That certain real property located in Section 2, T19N, R22E, M.D.M. shown as Parcel 2017-11 on that Record of Survey recorded as File No. 127020 in the Official Records of Storey County, Nevada.

APN: 005-101-36

That certain real property located in Sections 1 and 2, T19N, R22E, M.D.M. shown as Parcel 2018-5 on that Record of Survey recorded as File No. 127126 in the Official Records of Storey County, Nevada.

APN: 005-101-39

That certain real property located in Section 2, T19N, R22E, M.D.M. shown as Parcel 2018-2 on that Record of Survey recorded as File No. 127128 in the Official Records of Storey County, Nevada.

APN: 005-101-40

That certain real property located in Section 2, T19N, R22E, M.D.M. shown as Parcel 2018-3 on that Record of Survey recorded as File No. 127128 in the Official Records of Storey County, Nevada.

Section 6. The Undertaking is hereby ordered. The Undertaking shall consist of the acquisition, improvement and equipment of certain improvements for the Tahoe-Reno Industrial Center Tax Increment Area to include without limitation a water project as defined in NRS 278C.140, and the County shall pay with tax increment revenues, in whole or in part, the costs of such an Undertaking, including (i) advances by the County for administrative costs associated with administering the contracts for the reimbursement of the Owners described in (vi) below, (ii) advances by the County for draws on a debt service reserve fund pledged to the Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center), Local Improvement Bond, Series 2018 (the "Bond"), (iii) advances by the County from assessment payments to pay principal and interest on the Bond as a result of assessment payment delinquencies, (iv) advances by the County pursuant to NRS 360.990(3)(a)(4), including any uncommitted balance of the general fund of the County utilized for the repayment of general obligations bonds of the State in accordance with NRS 360.990(3)(a)(4), (v) payments by the State from its General Fund on its general obligation bonds issued to finance the Undertaking in accordance with NRS 360.990(3)(a)(4), and (vi) as more fully provided in the Act, specifically NRS 278C.150, 278C.157 and NRS 278C.250, payments under contracts with the Owners to reimburse the Owners for costs incurred by the Owners in connection with the Undertaking, and all appurtenances and incidentals necessary, useful or desirable, including real and other property therefor, which is more particularly described (with all segment lengths to be current approximations subject to minor adjustment) as set forth below:

This undertaking consists of the acquisition and improvement of a water project consisting of an approximately 13 mile reclaim water pipeline of an approximate diameter of 24 inches to deliver at a minimum 4,000 acre-feet of treated wastewater effluent from the Truckee Meadows Water Reclamation Facility in Sparks, Nevada, to the boundary of the Tahoe-Reno Industrial Center, including facilities appertaining to a municipal reclaim water system for the distribution of reclaim water, including without limitation pumping plants and stations, valves, tanks, connections, hydrants, water transmission mains, pipes, lines, laterals, and service pipes, pumps, meters, apparatus, tools, equipment, fixtures, structures, buildings, and all appurtenances and incidentals necessary, useful or desirable for the acquisition, transportation and distribution of reclaim water for commercial

and industrial use (or any combination thereof), including real and other property therefor.

Section 7. The tax increment account for the Undertaking (the "Tax Increment Account") is hereby established and created as a separate account in the treasury of the County. After the effective date of this Ordinance, any taxes levied upon taxable property in the Area each year, any tax on the sale or use of tangible personal property and any tax imposed pursuant to NRS 363A.130 and 363B.110 by or for the benefit of the State, the County and any public body, must be allocated, divided and disposed of as provided in NRS 278C.250.

Section 8. In accordance with NRS 278C.157(1), the Area was created herein for an Undertaking which constitutes a natural resources project; the Undertaking has been approved by the Interim Finance Committee; and tax increment revenues within the Area shall include, without limitation:

(a) The allocation of the proceeds of any taxes levied upon taxable property in the Area each year pursuant to NRS 278C.250(1)(a);

(b) The allocation of the proceeds of any tax on the sale or use of tangible personal property to the Tax Increment Account of the Area pursuant to NRS 278C.250(1)(b); and

(c) The allocation of the proceeds of any tax imposed pursuant to NRS 363A.130 and 363B.110 to the Tax Increment Account of the Area pursuant to NRS 278C.250(1)(c).

Section 9. All action, proceedings, matters and things previously taken, had and done by the County, and the officers thereof (not inconsistent with the provisions of this Ordinance), concerning the Undertaking and the Area be, and the same are, ratified, approved and confirmed.

Section 10. The officers of the County are authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Ordinance.

Section 11. All ordinances or resolutions, or parts thereof, in conflict with the provisions of this Ordinance, are repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any ordinance or resolution, or part thereof, previously repealed.

Section 12. In accordance with NRS 244.100, this Ordinance when first proposed is to be read by title to the Board, immediately after which several copies of the

proposed Ordinance are to be filed with the office of the County Clerk for public examination; thereafter, the County Clerk is authorized and directed to give notice of the filing together with the title of the Ordinance and an adequate summary of the Ordinance, and the date upon which a public hearing will be held on such Ordinance by publication at least once in the Comstock Chronicle, i.e., a newspaper published and having general circulation in the County, at least ten (10) days before the date set for such hearing, i.e., at least ten (10) days before October 16, 2018, such publication to be in substantially the following form:



Storey County Board of County Commissioners

Agenda Action Report

Meeting date: Oct 2, 2018

Estimate of time required: 25 min.

Agenda: Consent ☐ Regular agenda ☒ Public hearing required ☐

1. **Title:** Consideration and possible approval on second reading of ordinance 18-289 creating Storey County, Nevada Special Assessment District No. 01 (Tahoe-Reno Industrial Center); ordering a water project, within Storey County, Nevada.

2. **Recommended motion:** I, Commissioner (name), move to approve on second reading of ordinance 18-289 creating Storey County, Nevada Special Assessment District No. 01 (Tahoe-Reno Industrial Center); ordering a water project, within Storey County, Nevada.

3. **Prepared by:** Pat Whitten

Department: Commissioner's Office

Telephone: 847-0968

4. **Staff summary:** There are no changes to the ordinance proposed from the presentation on September 4, 2018 first reading.

5. **Supporting materials:** Draft Ordinance 18-289

6. **Fiscal impact:** Yes

Comptroller: *[Signature]*

A statutory provision of NRS 271 requires, in the case of default, that the "uncommitted portion of the County General Fund (estimated for FY 2019 at \$2.8 million) is a potential source for payment. Please note there are multiple sources of payment before this would happen including 1) Payment of the special assessments by the project participants (ie no default); 2) Foreclosure sale under expedited statutory provisions; 3) Payment from the administrative fund established which will have an initial balance equal to 1 year's bond payments and 4) Accruing balances in the administrative fund from interest rate spread and interest earnings. Additionally, TRI Principal Developer, Don Roger Norman has verbally agreed to execute a guarantee which would reimburse Storey County for any bond payments made from the County's General Fund at a rate of 1.5:1 should any such payment be required. Legal content is still pending.

7. **Legal review required:** Yes

KL District Attorney

KF - Bond Counsel

8. **Reviewed by:**

Department Head

Department Name: Commissioner's Office

[Signature] County Manager

Other agency review: _____

9. **Board action:**

☐

Approved

☐

Approved with Modifications

☐

Denied

☐

Continued

Agenda Item No. 13

Summary – An ordinance creating Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center), ratifying action taken by County officers toward the creation of such District and providing other matters related thereto.

BILL NO. 100

ORDINANCE NO. 18-289

AN ORDINANCE CREATING STOREY COUNTY, NEVADA, SPECIAL ASSESSMENT DISTRICT NO. 01 (TAHOE-RENO INDUSTRIAL CENTER); ORDERING A WATER PROJECT, WITHIN STOREY COUNTY, NEVADA.

WHEREAS, pursuant to NRS 271.325 an accurate estimate of cost, full and detailed plans and specifications, an assessment plat and other materials related to a water project (collectively, the "Project") to be acquired pursuant to NRS chapter 271 (the "Act") have been prepared and presented to the Board of County Commissioners (the "Board") of Storey County, Nevada (the "County"); and

WHEREAS, the Board hereby deems it necessary to create Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center) (the "District") for the purpose of acquiring and improving the Project, and for the purpose of financing the entire cost and expense of the Project by special assessments according to benefits levied against the benefited lots, tracts and parcels of land in the District; and

WHEREAS, pursuant to the County's Developer Special Assessment District Guidelines, there has previously been presented to the Board a written petition in the form of an Economic Development Finance Proposal from Eagle Valley Acquisition LLC, TRIC Acquisition, LLC, Silver Slate LLC, Comstock TRIC Associates, LLC, Supernap Reno, LLC, Tesla, Inc. (fka Tesla Motors, Inc.), 1200 USA Pkwy LLC, and Emerald City Empire, LLC (collectively, the "Owners"), requesting the County to initiate the acquisition and improvement of the Project, to issue bonds, and to levy assessments pursuant to the Act, including, specifically, NRS 271.710 and 271.720; and

WHEREAS, the County, TRI General Improvement District and the Owners have entered into a District Financing Agreement (the "Financing Agreement"), for the acquisition and improvement of the Project which contains the terms and conditions required by NRS 271.710 and 271.720; and

WHEREAS, the Owners are collectively the owners of 100% of the assessable property comprising the District; and

WHEREAS, the Board and the officers of the County have done or caused to be done all things necessary and preliminary to the creation of the District, including, but not limited to, the filing by the County Engineer and Farr West Engineering (collectively, the "Engineer"), with the County Clerk of an accurate estimate of cost, full and detailed plans and specifications, an assessment plat and map and an assessment roll, and the Board now desires to authorize the Project by this ordinance; and

WHEREAS, the Board has determined and does hereby declare that this ordinance is adopted pursuant to NRS 271.710(1).

NOW, THEREFORE, THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF STOREY, IN THE STATE OF NEVADA, DO ORDAIN:

Section 1. This ordinance shall be known as and may be cited by the short title "District No. 01 Creation Ordinance" (this "Ordinance").

Section 2. There shall be, and hereby is, created in the County an improvement district designated as "Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center)" for the purpose of acquiring and improving the Project, as more particularly described below. The Board, pursuant to NRS 271.325(1), has also determined and does hereby declare as follows:

- (a) the public convenience and necessity require the creation of the District;
- (b) the creation of the District is economically sound and feasible; and
- (c) the market value of each of the benefited lots, tracts and parcels of land in the District will be increased by an amount directly attributable to the Project for which the assessment is to be made.

Section 3. The Project, which is hereby ordered to be acquired and improved, shall be located within the boundaries of the District and shall be as shown on the full and detailed plans and specifications for the District filed with the County Clerk. The kind and location of the Project (without mentioning minor details) is as follows:

The Project consists of the acquisition and construction of certain improvements within the District to include without limitation water improvements described in Section 4 of this Ordinance, and all appurtenances and incidentals necessary, useful or desirable, including

real and other property therefor, which is more particularly described (with all segment lengths to be current approximations subject to minor adjustment) as set forth below:

This project consists of the acquisition and improvement of a water project consisting of an approximately 13 mile reclaim water pipeline of an approximate diameter of 24 inches to deliver at a minimum 4,000 acre-feet of treated wastewater effluent from the Truckee Meadows Water Reclamation Facility in Sparks, Nevada, to the boundary of the Tahoe-Reno Industrial Center, including facilities appertaining to a municipal reclaim water system for the distribution of reclaim water, including without limitation pumping plants and stations, valves, tanks, connections, hydrants, water transmission mains, pipes, lines, laterals, and service pipes, pumps, meters, apparatus, tools, equipment, fixtures, structures, buildings, and all appurtenances and incidentals necessary, useful or desirable for the acquisition, transportation and distribution of reclaim water for commercial and industrial use (or any combination thereof), including real and other property therefor.

This cost includes the required improvements for maintenance access by TRIGID.

This project has an estimated construction cost of \$35,000,000, with an eligible assessment cost of not to exceed \$34,842,578.71 and an amount of \$157,421.29 to be paid in cash in lieu of assessment. Anticipated acquisition and improvement of the project is expected to be completed in 18 months.

Section 4. The boundaries of the District, including the parcels to be assessed, are as follows:

The following land situated in the County of Storey, State of Nevada, and described as follows:

**SPECIAL ASSESSMENT DISTRICT NO. 01
(RENO-TAHOE INDUSTRIAL CENTER)**

DESCRIBED IN EXHIBIT D

Total area: approximately 3,769.18 acres

Section 5. The District shall constitute one construction unit with the projects and subprojects described in Section 3.

Section 6. All of the costs of the Project will be defrayed by assessments (except for an amount of \$157,421.29 to be paid in cash in lieu of an assessment). The assessments, levied in the principal amount not to exceed \$34,842,578.71, plus interest thereon, shall be payable in substantially equal semiannual installments as described in the Financing Agreement. Assessments will be levied by proportional share of the process water resource

effluent available to each property owner in the District from the Project, as more fully described in the ordinance levying the assessments.

Section 7. All actions, proceedings and matters previously taken, had and done by the Board and the officers of the County (not inconsistent with the provisions of this Ordinance), concerning the District and the Project, including but not limited to the performing of all prerequisites to the creation of the District, the entering into of the Financing Agreement, the acquisition and improvement of the Project, the determination of the specially benefited property therein, and the levy of assessments for that purpose be, and the same hereby are, ratified, approved and confirmed.

Section 8. The officers of the County be, and they hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Ordinance, including without limiting the generality of the foregoing, the preparation of all necessary documents, legal proceedings and other items necessary or desirable for the completion of the levying of the assessments for the District and the issuance of the bonds for the Project.

Section 9. Immediately upon the final adoption of this Ordinance, the Board shall, and hereby directs the County Clerk to, file in the office of the County Recorder, a certified copy of the list of the tracts to be assessed and the amount of maximum benefits estimated to be assessed against each tract in the District, as shown on the final assessment plat and map. Notwithstanding the foregoing, neither the failure to record such list nor any defect or omission in such list regarding any tract to be included in the District shall affect the validity of any assessment, the lien for the payment thereof or the priority of that lien.

Section 10. If bonds are issued for the Project, the Engineer is hereby authorized to approve all requests by TRI General Improvement District for payment by the County for the acquisition and improvement of each subproject described in the Financing Agreement, subject to and in accordance with the applicable provisions of the Financing Agreement. Upon such approval, the County Treasurer is hereby authorized to make such payments to TRI General Improvement District, without the necessity of any further authorization or approval by the Board.

Section 11. The Board may amend this Ordinance creating the District, change the assessment roll and redistribute the assessments required by NRS 271.390 in the same manner in which these actions were originally taken to add additional property to the District.

The assessments may be redistributed between the assessable property originally in the District and the additional assessable property if:

(1) The owners of additional assessable property also consent in writing to inclusion of their property in the District and to the amount of the assessment against their property; and

(2) The redistribution of the assessments is not prohibited by any covenants made for the benefit of the owners of any bonds or interim warrants issued for the District. The Board may amend this Ordinance creating the District, change the assessment roll and redistribute the assessments required by NRS 271.390 in the same manner in which these actions were originally taken to remove assessable property from the District. The assessments may be redistributed among the assessable property remaining in the District if:

(1) The owners of the remaining assessable property consent in writing to the amount of the revised assessment on their property; and

(2) The redistribution of the assessments is not prohibited by any covenants made for the benefit of the owners of any bonds or interim warrants issued for the District.

Section 12. All ordinances, resolutions, bylaws and orders, or parts thereof, in conflict with the provisions of this Ordinance are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any ordinance, resolution, bylaw or order, or part thereof, previously repealed.

Section 13. In accordance with NRS 244.100, this Ordinance when first proposed is to be read by title to the Board, immediately after which several copies of the proposed Ordinance are to be filed with the office of the County Clerk for public examination; thereafter, the County Clerk is authorized and directed to give notice of the filing together with the title of the Ordinance and an adequate summary of the Ordinance, and the date upon which a public hearing will be held on such Ordinance by publication at least once in the Comstock Chronicle, i.e., a newspaper published and having general circulation in the County, at least ten (10) days before the date set for such hearing, i.e., at least ten (10) days before October 2, 2018, such publication to be in substantially the following form:

(Form of Publication of Notice of Filing of Bill for an Ordinance)

BILL NO. _____

ORDINANCE NO. _____

**AN ORDINANCE CREATING STOREY COUNTY,
NEVADA, SPECIAL ASSESSMENT DISTRICT NO. 01
(TAHOE-RENO INDUSTRIAL CENTER); ORDERING A
WATER PROJECT, WITHIN STOREY COUNTY,
NEVADA.**

NOTICE IS HEREBY GIVEN that typewritten copies of the above-numbered and entitled Ordinance are available for public examination at the office of the County Clerk of Storey County, at her office located at 26 S. B St. Drawer D, Virginia City, Nevada.

The following is a brief summary of the provisions of the Ordinance: The Ordinance authorizes the creation of Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center) (the "District") and the levy of special assessments according to benefits levied against the benefited lots, tracts and parcels of land in the District. The Ordinance sets forth that an Economic Development Financing Proposal was presented to the Board of County Commissioners of Storey County (the "Board") requesting the County to initiate the acquisition and improvement of a water project (the "Project"). The Ordinance provides for the issuance of bonds secured by the levy of special assessments against the benefited lots, tracts and parcels of land in the District to finance the Project. The Ordinance sets forth the boundaries of the District, the mechanics of the levy of special assessments and the details of the Project.

Such Ordinance was proposed on September 4, 2018 and will be considered for adoption at the regular meeting of the Board to be held on October 2, 2018. Prior to consideration of the Ordinance for final adoption, the Board will hold a public hearing on the proposed Ordinance at its regular meeting to be held on Tuesday, October 2, 2018 at 10:00 a.m. at the Storey County Commission Chambers, 26 South B Street, Virginia City, Nevada.

Copies of the Bill are on file in the office of the County Clerk, 26 S. B St. Drawer D, Virginia City, Nevada, for public examination. The Board shall adopt or reject the Ordinance (or the Ordinance as amended) within 35 days after the date of the final public hearing.

IN WITNESS WHEREOF, the Board of County Commissioners of Clark County, Nevada, has caused this notice to be published this September __, 2018.

(SEAL)

/s/ Vanessa Stephens
County Clerk

(End of Form for Publication)

Section 14. After this Ordinance is signed by the Chairman of the Board and attested and sealed by the County Clerk, this Ordinance shall be published by title only, together with the names of the commissioners voting for or against its passage, and with a statement that typewritten copies of such Ordinance are available for inspection by all interested parties at the office of the County Clerk, such publication to be made in the Comstock Chronicle, a newspaper published and having general circulation in the County, at least once a week for a period of 2 weeks by 2 insertions, pursuant to NRS 244.100, and all laws thereunto enabling, such publication to be in substantially the following form:

(Form of Publication after final adoption of Ordinance)

BILL NO. _____

**ORDINANCE NO. _____
(of Storey County, Nevada)**

**AN ORDINANCE CREATING STOREY COUNTY,
NEVADA, SPECIAL ASSESSMENT DISTRICT NO. 01
(TAHOE-RENO INDUSTRIAL CENTER); ORDERING A
WATER PROJECT, WITHIN STOREY COUNTY,
NEVADA.**

Public Notice is hereby given that copies of the above-numbered and entitled ordinance are available for inspection by all interested parties at the office of the County Clerk of Storey County, Nevada, at Storey County, Nevada, _____, Virginia City, Nevada; and that such ordinance was proposed by Commissioner _____ on September 4, 2018, and was passed and adopted without amendment at a regular meeting held not more than 35 days after the close of the hearing, i.e., at the regular meeting on October 2, 2018, by the following vote of the Board of County Commissioners:

Those Voting Aye:

Those Voting Nay:

Those Abstaining:

Those Absent:

This Ordinance shall be in force and effect from and after the ____ day of October, 2018, i.e., the date of the second publication of such Ordinance by its title only.

IN WITNESS WHEREOF, the Board of County Commissioners of Storey County, Nevada, has caused this ordinance to be published by title only.

DATED this October 2, 2018.

/s/ Marshall McBride
Chairman
Board of County Commissioners
Storey County, Nevada

(SEAL)

Attest:

/s/ Vanessa Stephens
County Clerk

(End of Form of Publication)

Section 15. If any section, paragraph, clause or other provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or other provision shall not affect any of the remaining provisions of this Ordinance.

Proposed on September 4, 2018.

Proposed by Commissioner _____

Passed October 2, 2018.

Vote:

Aye:

Nays:

Absent:

Attest:

Chairman
Board of County Commissioners
Storey County, Nevada

County Clerk

This Ordinance shall be in force and effect from and after the ____ day of October, 2018, i.e., the date of the second publication of such Ordinance by its title only.

STATE OF NEVADA)
) ss.
STOREY COUNTY)

I am the duly chosen, qualified and acting County Clerk of Storey County (the "County"), in the State of Nevada (the "State"), do hereby certify:

1. The foregoing pages constitute a true, correct and compared copy of an ordinance introduced at a regular meeting of the Board of County Commissioners (the "Board") held on September 4, 2018, and passed and adopted by the Board at a regular meeting of the Board held on October 2, 2018; such copy of such ordinance is a true, correct and compared copy of the original passed and adopted by the Board at the designated meeting and the original of such ordinance has been approved and authenticated by the signature of the Chairman of the Board and myself as Clerk, and has been recorded in the minute book of the Board kept for that purpose in my office, which record has been duly signed by such officers and properly sealed.

2. The members of the Board were present at each meeting and voted on the passage of such ordinance as provided therein.

3. All members of the Board were given due and proper notice of each meeting.

4. Public notice of each meeting attached as Exhibit A and Exhibit B was given and each such meeting was held and conducted in full compliance with the provisions of NRS 241.020. A copy of the notice of each such meeting and excerpt from the agenda for the meeting relating to the ordinance, as posted at least 3 working days in advance of the meeting at the Board's office, the County's website, the State's website, and three other locations, i.e., at:

- (i) Virginia City Post Office
- (ii) Storey County Courthouse
- (iii) Virginia City Fire Station
- (iv) Virginia City Highlands Fire Station
- (v) Lockwood Fire Station

5. At least three working days before such meeting, such notice was given to each member of the Board and to each person, if any, who has requested notice of meetings of the Board in accordance with the provisions of Chapter 241 of NRS.

6. Affidavits of publication of the notice of filing of the Ordinance and notice of adoption of the Ordinance are attached hereto as Exhibit C.

IN WITNESS WHEREOF, I have hereunto set my hand on October 2, 2018.

County Clerk

EXHIBIT A

(Attach Copy of Notice of September 4, 2018 Meeting)

EXHIBIT B

(Attach Copy of Notice of October 2, 2018 Meeting)

EXHIBIT C

(Attach Affidavits of Publication of Ordinance)

EXHIBIT D

(Attach list of parcels, legal description and map of District)



Storey County Board of County Commissioners Agenda Action Report

Meeting date: October 2, 2018

Estimate of time required: 15 minutes

Agenda: Consent [] Regular agenda [X] Public hearing required []

1. **Title:** Consideration and possible adoption of Ordinance No. 18 – 289A, as if on an emergency basis, creating Storey County, Nevada Special Assessment District No. 01 (Tahoe Reno Industrial Center) ordering a water project, i.e., an effluent pipeline from Truckee Meadows Reclamation Facility to the Tahoe Reno Industrial Center in Storey County, Nevada.
2. **Recommended motion:** I _____ (Commissioner) move to approve adoption of Storey County Ordinance 18-289A creating the Special Assessment District No. 01 (Tahoe Reno Industrial Center) as if an emergency existed.

3. **Prepared by:** Keith Loomis

Department: District Attorney's Office

Telephone: 847-0964

4. **Staff summary:** The County did a first reading of ordinance 18-289 on September 4, 2018. That action has been challenged by an Open Meeting Law Complaint filed with the Attorney General's Office. A response to that complaint has also been filed and it is believed that the complaint will not be upheld. Nevertheless, NRS 271.308 and NRS 271.325(2) allow an ordinance creating a special assessment district to be adopted as if an emergency exists. This means that with the consent of the entire board, the approval of an ordinance can be done immediately. NRS 244.100(4). This item essentially duplicates the second reading of Ordinance 18-289. This duplication is thought to be a prudent response to the Open Meeting Law Complaint arguably filed against the first reading of this ordinance which occurred on September 4, 2018. In case the challenge is upheld, the County can nevertheless proceed with the formation of the assessment district

5. **Supporting materials:**

Proposed Ordinance 18-289A

6. **Fiscal impact:**

Funds Available:

Fund:

_____ Comptroller

7. **Legal review required:**

_____ District Attorney

8. **Reviewed by:**

____ Department Head
____ County Manager

Department Name:
Other agency review: _____

9. **Board action:**

☐ Approved
☐ Denied

☐ Approved with Modifications
☐ Continued

Agenda Item No.

Summary – An ordinance creating Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center), ratifying action taken by County officers toward the creation of such District and providing other matters related thereto.

BILL NO. _____

ORDINANCE NO. 18-289 A

AN ORDINANCE CREATING STOREY COUNTY, NEVADA, SPECIAL ASSESSMENT DISTRICT NO. 01 (TAHOE-RENO INDUSTRIAL CENTER); ORDERING A WATER PROJECT, WITHIN STOREY COUNTY, NEVADA.

WHEREAS, pursuant to NRS 271.325 an accurate estimate of cost, full and detailed plans and specifications, an assessment plat and other materials related to a water project (collectively, the "Project") to be acquired pursuant to NRS chapter 271 (the "Act") have been prepared and presented to the Board of County Commissioners (the "Board") of Storey County, Nevada (the "County"); and

WHEREAS, the Board hereby deems it necessary to create Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center) (the "District") for the purpose of acquiring and improving the Project, and for the purpose of financing the entire cost and expense of the Project by special assessments according to benefits levied against the benefited lots, tracts and parcels of land in the District; and

WHEREAS, pursuant to the County's Developer Special Assessment District Guidelines, there has previously been presented to the Board a written petition in the form of an Economic Development Finance Proposal from Eagle Valley Acquisition LLC, TRIC Acquisition, LLC, Silver Slate LLC, Comstock TRIC Associates, LLC, Supernap Reno, LLC, Tesla, Inc. (fka Tesla Motors, Inc.), 1200 USA Pkwy LLC, and Emerald City Empire, LLC (collectively, the "Owners"), requesting the County to initiate the acquisition and improvement of the Project, to issue bonds, and to levy assessments pursuant to the Act, including, specifically, NRS 271.710 and 271.720; and

WHEREAS, the County, TRI General Improvement District and the Owners have entered into a District Financing Agreement (the "Financing Agreement"), for the acquisition and improvement of the Project which contains the terms and conditions required by NRS 271.710 and 271.720; and

WHEREAS, the Owners are collectively the owners of 100% of the assessable property comprising the District; and

WHEREAS, the Board and the officers of the County have done or caused to be done all things necessary and preliminary to the creation of the District, including, but not limited to, the filing by the County Engineer and Farr West Engineering (collectively, the "Engineer"), with the County Clerk of an accurate estimate of cost, full and detailed plans and specifications, an assessment plat and map and an assessment roll, and the Board now desires to authorize the Project by this ordinance; and

WHEREAS, the Board has determined and does hereby declare that this ordinance is adopted pursuant to NRS 271.710(1); and

WHEREAS, the Board has determined and does hereby declare as follows:

A. It is necessary and for the best interests of the County to effect the Project and to issue the Bonds;

B. This Ordinance pertains to the sale, issuance and payment of the Bonds; this declaration shall be conclusive in the absence of fraud or gross abuse of discretion in accordance with the provisions of NRS 271.710(2)(c); and

C. This Ordinance may accordingly be adopted as if an emergency now exists and may become effective at the same time when an emergency ordinance of the County may go into effect pursuant to NRS 244.100.

NOW, THEREFORE, THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF STOREY, IN THE STATE OF NEVADA, DO ORDAIN:

Section 1. This ordinance shall be known as and may be cited by the short title "District No. 01 Creation Ordinance" (this "Ordinance").

Section 2. There shall be, and hereby is, created in the County an improvement district designated as "Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center)" for the purpose of acquiring and improving the Project, as more particularly described below. The Board, pursuant to NRS 271.325(1), has also determined and does hereby declare as follows:

- (a) the public convenience and necessity require the creation of the District;
- (b) the creation of the District is economically sound and feasible; and

(c) the market value of each of the benefited lots, tracts and parcels of land in the District will be increased by an amount directly attributable to the Project for which the assessment is to be made.

Section 3. The Project, which is hereby ordered to be acquired and improved, shall be located within the boundaries of the District and shall be as shown on the full and detailed plans and specifications for the District filed with the County Clerk. The kind and location of the Project (without mentioning minor details) is as follows:

The Project consists of the acquisition and construction of certain improvements within the District to include without limitation water improvements described in Section 4 of this Ordinance, and all appurtenances and incidentals necessary, useful or desirable, including real and other property therefor, which is more particularly described (with all segment lengths to be current approximations subject to minor adjustment) as set forth below:

This project consists of the acquisition and improvement of a water project consisting of an approximately 13 mile reclaim water pipeline of an approximate diameter of 24 inches to deliver at a minimum 4,000 acre-feet of treated wastewater effluent from the Truckee Meadows Water Reclamation Facility in Sparks, Nevada, to the boundary of the Tahoe-Reno Industrial Center, including facilities appertaining to a municipal reclaim water system for the distribution of reclaim water, including without limitation pumping plants and stations, valves, tanks, connections, hydrants, water transmission mains, pipes, lines, laterals, and service pipes, pumps, meters, apparatus, tools, equipment, fixtures, structures, buildings, and all appurtenances and incidentals necessary, useful or desirable for the acquisition, transportation and distribution of reclaim water for commercial and industrial use (or any combination thereof), including real and other property therefor.

This cost includes the required improvements for maintenance access by TRIGID.

This project has an estimated construction cost of \$35,000,000, with an eligible assessment cost of not to exceed \$34,842,578.71 and an amount of \$157,421.29 to be paid in cash in lieu of assessment. Anticipated acquisition and improvement of the project is expected to be completed in 18 months.

Section 4. The boundaries of the District, including the parcels to be assessed, are as follows:

The following land situated in the County of Storey, State of Nevada, and described as follows:

**SPECIAL ASSESSMENT DISTRICT NO. 01
(RENO-TAHOE INDUSTRIAL CENTER)**

DESCRIBED IN EXHIBIT D

Total area: approximately 3,769.18 acres

Section 5. The District shall constitute one construction unit with the projects and subprojects described in Section 3.

Section 6. All of the costs of the Project will be defrayed by assessments (except for an amount of \$157,421.29 to be paid in cash in lieu of an assessment). The assessments, levied in the principal amount not to exceed \$34,842,578.71, plus interest thereon, shall be payable in substantially equal semiannual installments as described in the Financing Agreement. Assessments will be levied by proportional share of the process water resource effluent available to each property owner in the District from the Project, as more fully described in the ordinance levying the assessments.

Section 7. All actions, proceedings and matters previously taken, had and done by the Board and the officers of the County (not inconsistent with the provisions of this Ordinance), concerning the District and the Project, including but not limited to the performing of all prerequisites to the creation of the District, the entering into of the Financing Agreement, the acquisition and improvement of the Project, the determination of the specially benefited property therein, and the levy of assessments for that purpose be, and the same hereby are, ratified, approved and confirmed.

Section 8. The officers of the County be, and they hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Ordinance, including without limiting the generality of the foregoing, the preparation of all necessary documents, legal proceedings and other items necessary or desirable for the completion of the levying of the assessments for the District and the issuance of the bonds for the Project.

Section 9. Immediately upon the final adoption of this Ordinance, the Board shall, and hereby directs the County Clerk to, file in the office of the County Recorder, a certified copy of the list of the tracts to be assessed and the amount of maximum benefits estimated to be assessed against each tract in the District, as shown on the final assessment plat and map. Notwithstanding the foregoing, neither the failure to record such list nor any defect or omission in such list regarding any tract to be included in the District shall affect the validity of any assessment, the lien for the payment thereof or the priority of that lien.

Section 10. If bonds are issued for the Project, the Engineer is hereby authorized to approve all requests by TRI General Improvement District for payment by the County for the acquisition and improvement of each subproject described in the Financing Agreement, subject to and in accordance with the applicable provisions of the Financing Agreement. Upon such approval, the County Treasurer is hereby authorized to make such payments to TRI General Improvement District, without the necessity of any further authorization or approval by the Board.

Section 11. The Board may amend this Ordinance creating the District, change the assessment roll and redistribute the assessments required by NRS 271.390 in the same manner in which these actions were originally taken to add additional property to the District. The assessments may be redistributed between the assessable property originally in the District and the additional assessable property if:

- (1) The owners of additional assessable property also consent in writing to inclusion of their property in the District and to the amount of the assessment against their property; and

- (2) The redistribution of the assessments is not prohibited by any covenants made for the benefit of the owners of any bonds or interim warrants issued for the District. The Board may amend this Ordinance creating the District, change the assessment roll and redistribute the assessments required by NRS 271.390 in the same manner in which these actions were originally taken to remove assessable property from the District. The assessments may be redistributed among the assessable property remaining in the District if:

- (1) The owners of the remaining assessable property consent in writing to the amount of the revised assessment on their property; and

- (2) The redistribution of the assessments is not prohibited by any covenants made for the benefit of the owners of any bonds or interim warrants issued for the District.

Section 12. All ordinances, resolutions, bylaws and orders, or parts thereof, in conflict with the provisions of this Ordinance are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any ordinance, resolution, bylaw or order, or part thereof, previously repealed.

Section 13. The Board has expressed in the preambles of this Ordinance that this Ordinance pertains to the issuance local improvement bonds, that this Ordinance may

accordingly be adopted as if an emergency now exists, and may become effective at any time when an emergency ordinance of the County may go into effect. Consequently, pursuant to NRS 271.710(2)(c), final action shall be taken immediately, and this Ordinance shall be in effect from and after its publication by title and collateral statement as herein provided.

Section 14. After this Ordinance is signed by the Chairman of the Board and attested and sealed by the County Clerk, this Ordinance shall be published by title only, together with the names of the commissioners voting for or against its passage, and with a statement that typewritten copies of such Ordinance are available for inspection by all interested parties at the office of the County Clerk, such publication to be made in the Comstock Chronicle, a newspaper published and having general circulation in the County, at least once a week for a period of 2 weeks by 2 insertions, pursuant to NRS 244.100, and all laws thereunto enabling, such publication to be in substantially the following form:

(Form of Publication after final adoption of Ordinance)

BILL NO. _____

ORDINANCE NO. _____
(of Storey County, Nevada)

**AN ORDINANCE CREATING STOREY COUNTY,
NEVADA, SPECIAL ASSESSMENT DISTRICT NO. 01
(TAHOE-RENO INDUSTRIAL CENTER); ORDERING A
WATER PROJECT, WITHIN STOREY COUNTY,
NEVADA.**

Public Notice is hereby given that copies of the above-numbered and entitled ordinance are available for inspection by all interested parties at the office of the County Clerk of Storey County, Nevada, at Storey County, Nevada, _____, Virginia City, Nevada; and that such ordinance was proposed by Commissioner _____ on October 2, 2018, and was passed and adopted without amendment at a regular meeting held not more than 35 days after the close of the hearing, i.e., at the regular meeting on October 2, 2018, by the following vote of the Board of County Commissioners:

Those Voting Aye:

Those Voting Nay:

Those Abstaining:

Those Absent:

This Ordinance shall be in force and effect from and after the ____ day of October, 2018, i.e., the date of the second publication of such Ordinance by its title only.

IN WITNESS WHEREOF, the Board of County Commissioners of Storey County, Nevada, has caused this ordinance to be published by title only.

DATED this October 2, 2018.

/s/ Marshall McBride
Chairman
Board of County Commissioners
Storey County, Nevada

(SEAL)

Attest:

/s/ Vanessa Stephens
County Clerk

(End of Form of Publication)

Section 15. If any section, paragraph, clause or other provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or other provision shall not affect any of the remaining provisions of this Ordinance.

Proposed on October 2, 2018.

Proposed by Commissioner _____

Passed October 2, 2018.

Vote:

Aye:

Nays:

Absent:

Attest:

Chairman
Board of County Commissioners
Storey County, Nevada

County Clerk

This Ordinance shall be in force and effect from and after the ____ day of October, 2018, i.e., the date of the second publication of such Ordinance by its title only.

STATE OF NEVADA)
) ss.
STOREY COUNTY)

I am the duly chosen, qualified and acting County Clerk of Storey County (the "County"), in the State of Nevada (the "State"), do hereby certify:

1. The foregoing pages constitute a true, correct and compared copy of an ordinance passed and adopted by the Board at a regular meeting of the Board held on October 2, 2018; such copy of such ordinance is a true, correct and compared copy of the original passed and adopted by the Board at the designated meeting and the original of such ordinance has been approved and authenticated by the signature of the Chairman of the Board and myself as Clerk, and has been recorded in the minute book of the Board kept for that purpose in my office, which record has been duly signed by such officers and properly sealed.

2. The members of the Board were present at each meeting and voted on the passage of such ordinance as provided therein.

3. All members of the Board were given due and proper notice of each meeting.

4. Public notice of the meeting attached as Exhibit A was given and the such meeting was held and conducted in full compliance with the provisions of NRS 241.020. A copy of the notice of such meeting and excerpt from the agenda for the meeting relating to the ordinance, as posted at least 3 working days in advance of the meeting at the Board's office, the County's website, the State's website, and three other locations, i.e., at:

- (i) Virginia City Post Office
- (ii) Storey County Courthouse
- (iii) Virginia City Fire Station
- (iv) Virginia City Highlands Fire Station
- (v) Lockwood Fire Station

5. At least three working days before such meeting, such notice was given to each member of the Board and to each person, if any, who has requested notice of meetings of the Board in accordance with the provisions of Chapter 241 of NRS.

6. Affidavits of publication of the notice of adoption of the Ordinance are attached hereto as Exhibit B.

IN WITNESS WHEREOF, I have hereunto set my hand on October 2, 2018.

County Clerk

EXHIBIT A

(Attach Copy of Notice of October 2, 2018 Meeting)

EXHIBIT C

(Attach list of parcels, legal description and map of District)



Storey County Board of County Commissioners Agenda Action Report

Meeting date: Oct 2, 2018

Estimate of time required: 25 min.

Agenda: Consent ☐ Regular agenda ☒ Public hearing required ☐

1. **Title:** Consideration and possible approval on second reading of ordinance 18-290 concerning Storey County, Nevada Special Assessment District No. 01 (Tahoe-Reno Industrial Center); and assessing the cost of local improvements against the assessable property benefited by the local improvements.

2. **Recommended motion:** I, Commissioner (name), move to approve on second reading of ordinance 18-290 concerning Storey County, Nevada Special Assessment District No. 01 (Tahoe-Reno Industrial Center); and assessing the cost of local improvements against the assessable property benefited by the local improvements.

3. **Prepared by:** Pat Whitten

Department: Commissioner's Office

Telephone: 847-0968

4. **Staff summary:** There are no changes to the ordinance proposed from the presentation on September 4, 2018 first reading.

5. **Supporting materials:** Draft Ordinance 18-290

6. **Fiscal impact:**

Comptroller: _____

7. **Legal review required:** Yes

KL District Attorney

KF - Bond Counsel

8. **Reviewed by:**

____ Department Head

Department Name: Commissioner's Office

Pat Whitten County Manager

Other agency review: _____

9. **Board action:**

☐ Approved
☐ Denied

☐ Approved with Modifications
☐ Continued

Agenda Item No. 15

Summary – An ordinance levying assessments in Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center), ratifying action taken by County officers toward the levy of assessments, and providing other matters related thereto.

BILL NO. 101

ORDINANCE NO. 18-290

AN ORDINANCE CONCERNING STOREY COUNTY, NEVADA, SPECIAL ASSESSMENT DISTRICT NO. 01 (TAHOE-RENO INDUSTRIAL CENTER) AND ASSESSING THE COST OF LOCAL IMPROVEMENTS AGAINST THE ASSESSABLE PROPERTY BENEFITED BY THE LOCAL IMPROVEMENTS.

WHEREAS, pursuant to NRS 271.325 an accurate estimate of cost, full and detailed plans and specifications, an assessment plat and other materials related to a water project (collectively, the "Project") to be acquired pursuant to NRS chapter 271 (the "Act") have been prepared and presented to the Board of County Commissioners (the "Board") of Storey County, Nevada (the "County"); and

WHEREAS, the Board hereby deems it necessary to create Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center) (the "District") for the purpose of acquiring and improving the Project, and for the purpose of financing the entire cost and expense of the Project by special assessments according to benefits levied against the benefited lots, tracts and parcels of land in the District; and

WHEREAS, pursuant to the County's Developer Special Assessment District Guidelines, there has previously been presented to the Board a written petition in the form of an Economic Development Financing Proposal from Eagle Valley Acquisition LLC, TRIC Acquisition, LLC, Silver Slate LLC, Comstock TRIC Associates, LLC, Supernap Reno, LLC, Tesla, Inc. (fka Tesla Motors, Inc.), 1200 USA Pkwy LLC, and Emerald City Empire, LLC (collectively, the "Owners"), requesting the County to initiate the acquisition and improvement of the Project, to issue bonds and to levy assessments pursuant to the Act, including, specifically, NRS 271.710 and 271.720; and

WHEREAS, the County and the Owners have entered into a District Financing Agreement (the "Financing Agreement"), for the acquisition and improvement of the Project which contains the terms and conditions required by NRS 271.710 and 271.720; and

WHEREAS, the Owners are the owners of 100% of the assessable property comprising the District; and

WHEREAS, the District has been created by an ordinance designated as the "District No. 01 Creation Ordinance" previously approved by the Board under the provisions of the Act; and

WHEREAS, pursuant to the District No. 01 Creation Ordinance, the Board has determined that the entire cost and expense to the County of the acquisition and improvement of the Project is to be paid by special assessments levied against the benefited lots, tracts and parcels of land in the District (except for an amount of \$157,421.29 to be paid in cash in lieu of an assessment) ; and

WHEREAS, such cost and expense of the Project includes the costs and expenses of the County to be incurred in connection with the issuance of bonds by the County (the "Bonds") to finance the cost of the acquisition and improvement of the Project and the amount of reserve and other funds for the Bonds; and

WHEREAS, pursuant to the District No. 01 Creation Ordinance, the Board has determined and does hereby declare that the net cost to the County of the Project is \$35,000,000, of which \$157,421.29 is available from other sources and \$34,842,578.71 is to be assessed upon the benefited lots, tracts and parcels of land in the District; and

WHEREAS, the Board, by resolution duly adopted, directed the County Engineer and Farr West Engineering (collectively, the "Engineer"), to make out a preliminary assessment roll; and

WHEREAS, after determination of the cost and expense of the acquisition and improvement of the Project to be paid by the property specially benefited, the Board, together with the Engineer, made out an assessment roll containing, among other things, the name and address of the last-known owner of the property to be assessed, a description of each lot, tract and parcel of land to be assessed, and the amount of the assessment thereon and has heretofore filed the assessment roll with the County Clerk; and

WHEREAS, pursuant to the Engineer's Report for the District prepared by the Engineer and heretofore placed on file with the County Clerk (the "Engineer's Report"), together with certain recitations of the Owners contained within the Financing Agreement and the appraisal from Mark E. Stafford, Certified General Appraiser, the Board has determined that the

assessments do not exceed the benefits to the property assessed nor the total cost and expense of the acquisition and improvement of the Project payable from assessments and do not exceed the reasonable market value of the lots, tracts and parcels of land to be assessed; and

WHEREAS, it is incumbent upon the Board to provide when said assessments shall become due and the penalties payable after any delinquency.

NOW, THEREFORE, THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF STOREY, IN THE STATE OF NEVADA, DO ORDAIN:

Section 1. This ordinance shall be known as and may be cited by the short title "District No. 01 Assessment Ordinance" (this "Ordinance").

Section 2. All actions, proceedings and matters previously taken, had and done by the County and the officers thereof (not inconsistent with the provisions of this Ordinance) concerning the District, including, but not limited to, the acquisition and improvement of the Project, the levy of assessments for those purposes, and the validation and confirmation of the assessment roll and the assessments therein, are ratified, approved and confirmed.

Section 3. For the purpose of paying the cost and expense of acquisition and improvement of the Project by the County, there are hereby levied and assessed against the lots, tracts and parcels of land in the District specially benefited by the Project and described in the assessment roll for the District in the form on file in the office of the County Clerk on the date of adoption of this Ordinance, the amounts and assessments shown in the assessment roll (as so filed). Pursuant to the Engineer's Report, together with certain recitations of the Owners contained within the Financing Agreement, the Board hereby finds and determines that such assessments do not exceed the benefits to the property assessed nor the total cost and expense of the acquisition and improvement of the Project payable from assessments as previously determined and do not exceed the reasonable market value of the lots, tracts and parcels of land to be assessed.

Section 4. Pursuant to the Financing Agreement, the Owners have elected to pay the assessments in installments, with interest as hereinafter provided, and the Board hereby authorizes such manner of payment. The unpaid assessments shall be payable at the office of the County Treasurer on March 1 and September 1 of each year, commencing on March 1, 2019, in fifty (50) semi-annual substantially equal installments of principal and interest until paid in full,

with interest in all cases on the unpaid and deferred installments of principal from the effective date of this Ordinance at a rate or rates, which shall not exceed by more than one percent (1%) the highest rate of interest on the Bonds issued for the District. After the effective date of this Ordinance and before assessment bonds are issued (or if bonds are not issued), the County Manager or the Chief Financial Officer of the County shall fix the rate of interest on the unpaid and deferred installments of assessments. The effective interest rate on the Bonds will not exceed the statutory maximum rate (i.e., will not exceed by more than three percent (3%) the "Index of Twenty Bonds" that is most recently published in The Bond Buyer before a negotiated offer for the sale of the Bonds is accepted).

The installments of the assessments shall be payable at the office of the County Treasurer. Pursuant to NRS 271.415(5), the County Treasurer shall notify the owners of real property within the District of the amounts becoming due and each such owner shall be deemed notified and shall be responsible for any penalties or delinquencies regardless of such owner's failure to maintain an accurate mailing address with the County Assessor. Such notice shall state that the assessment installment is payable not later than the March 1 or September 1 next succeeding such notice. Failure to pay any installment, whether of principal or interest, when due shall cause the whole amount of the unpaid principal of such assessment to become due and payable immediately at the option of the County, the exercise of said option shall be indicated by the commencement of sale proceedings by the County. The whole amount of the unpaid principal and the interest that has accrued thereon shall after such delinquency, whether or not the option to accelerate the due date for the payment of the unpaid principal is exercised, bear a penalty at the rate of 2% (or at any higher rate authorized by statute, or any lower rate, which may be zero percent, for such period as determined by the County Treasurer) per month (not prorated for any portion of the month) on the unpaid balance of the assessment and accrued interest, until the day of the foreclosure sale or until the whole amount of the unpaid principal plus accrued interest and penalties is paid; provided, however, that at any time prior to the day of such sale, the owner of any such lot or parcel may pay the aggregate amount of all of the delinquent installments originally becoming due on or before the date of said payment, with accrued interest thereon and all penalties and costs of collection accrued, and shall thereupon be restored to the right thereafter to pay in installments in the same manner as if a default had not been suffered.

The owner of any property assessed and not in default as to any assessment installment or payment may, at any time (at the option of such owner), pay the whole or any portion of the unpaid principal with interest accruing thereon to the next assessment payment date, together with a prepayment premium equal to 3.00% of the principal amount so prepaid. If the Bonds may then be redeemed without the payment of any premium or with a premium of less than three percent (3%), the County, in its sole discretion, may waive the requirement of payment of the redemption premium; provided that the County shall collect a premium upon the prepayment of an assessment which is not less than the premium which is then due for redemption of the Bonds. No waiver for or modification of a particular prepayment premium shall be deemed to be a waiver for or modification of any other prepayment premium unless the County expressly waives or modifies the prepayment penalty for all assessments. After any partial prepayment of an assessment or refunding of the Bonds pursuant to NRS 271.488, the County Treasurer shall reamortize the assessment installments due on the parcel on which the partial prepayment was made or, in the case of a refunding, on all parcels, so that the remaining installments are semiannual substantially level installments of principal and interest with a final due date of September 1, 2043.

Assessment installments or assessment prepayments shall be reduced by the amount of any credits available for such installments or prepayments as provided in the Financing Agreement. This Section does not prevent the County from amending this Ordinance, the Financing Agreement or any other documents executed in connection with the Bonds to provide for other uses of the interest earned on Bond proceeds, any excess Bond proceeds or the reserve fund established for the Bonds (the "Reserve Fund") in connection with a refunding of the Bonds; and the owners of the property assessed in the District have no entitlement to payment of any amounts in the interest earned on Bond proceeds, any excess Bond proceeds or the Reserve Fund in the event of such an amendment.

Section 5. The amounts assessed as aforesaid shall be a lien upon said lots, tracts and parcels of land from the effective date of this Ordinance until paid, coequal with the latest lien thereon to secure the payment of general (ad valorem) taxes and prior and superior to all other liens, claims, encumbrances and titles (other than the liens of assessments and general (ad valorem) taxes).

The sale of any such lot, tract or parcel of land for general or other taxes shall not relieve such lot, tract or parcel of land from such assessment or the lien therefor. Such amounts shall continue to be a lien upon the lots, tracts and parcels of land assessed until paid in full (including all principal and the interest thereon, and any penalties and collection costs).

Section 6. (a) Should any lot, tract or parcel of land within the District be divided after the effective date of this Ordinance and before the collection of all the assessment installments, the Board may require the County Treasurer to apportion the uncollected amounts upon the several parts of land so divided on a net assessable area basis; provided that the applicant, at the time of such apportionment, may request that the uncollected amounts be apportioned on a net area basis. The County may consider such request and, in its sole discretion, apportion the uncollected assessments accordingly. For purposes of such apportionment, the term "net assessable area" shall exclude (i) areas excluded from the definition of "assessable property" pursuant to NRS 271.040, (ii) areas designated on the assessment plat as being areas of non-assessment, and (iii) private streets, properties which are conveyed with restrictions limiting the uses of such properties to common areas, parks, landscaped areas and other permanent open space. In the event that any conflict exists between the provisions of the assessment plat and this Ordinance, the terms of this Ordinance shall control. The area of lands not included in the net assessable area may be estimated by the County in the case of any apportionment for which final legal descriptions of the excluded area are not yet available and any such estimate shall be final and conclusive absent fraud.

(b) The County may also reapportion assessments on tracts with the consent of property owners whose assessment will be increased thereby pursuant to NRS 271.425(3) or NRS 271.710(2) if the Board finds that the proposed action will not:

(i) materially or adversely impair the obligation of the County with respect to the Bonds; or

(ii) increase the principal balance of any assessment to an amount such that the aggregate amount which is assessed against a tract exceeds the minimum benefit to the tract that is estimated to result from the project which is financed by the assessment.

(c) The report of such an apportionment, when approved, shall be conclusive on all the parties, and all assessments thereafter made upon the tracts shall thereafter be according to the subdivision. The report, when approved, shall be recorded in the office of the

County Recorder, together with a statement that the current payment status of any of the assessments may be obtained from the County Treasurer. Neither the failure to record the report nor any defect in the report as recorded shall affect the validity of the assessments, the lien for the payment thereof or the priority of that lien.

Section 7. In case any such lot, tract or parcel of land so assessed is delinquent in the payment of such assessment or any installment of principal or interest, the County Treasurer promptly (but in no event later than 60 days after the installment due date) shall mark the assessment installment delinquent on the assessment roll for the District and shall notify the owner of such delinquent property, if known, in writing of such delinquency, by first class mail, postage prepaid, addressed to the addressee's last-known address. Said assessment shall be enforced by the County Treasurer and other officers of the County, as provided in NRS 271.545 to 271.630, and the assessment roll and certified copy of this Ordinance shall be prima facie evidence of the regularity of the proceedings. Unless otherwise directed by the Board, in the case of such a collection, the County Treasurer shall determine whether to cause the whole amount of the unpaid assessment with respect to such property to be immediately due and payable. If any such collection is not promptly enforced by the County, any bondholder may file and prosecute a foreclosure action in the name of the County. Any bondholder may also proceed against the County to protect and enforce the rights of the owners of the Bonds under this Ordinance and the Act by suit, action or special proceedings in equity or at law, either for the appointment of a receiver or for the specific performance of any provision contained herein or in the Act or in an award of execution of any power herein granted for the enforcement of any proper legal or equitable remedy as such bondholder may deem most effectual to protect and enforce the rights aforesaid. All such proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all owners of the Bonds then outstanding. The failure of the bondholders so to foreclose upon the property which is the subject of such delinquent assessments or so to proceed against the County, or both, shall not relieve the County or any of its officers, agents or employees of any duty so to take the actions hereinabove set forth.

Section 8. The County Clerk is hereby directed to deliver to the County Assessor, the County Recorder and the County Treasurer, a copy of the final assessment roll containing a description of the lots, tracts and parcels of land being assessed, with the amount of the assessment levied upon each and the name and address of the owner against whom the

assessment was made, together with a statement that the current payment status of any of the assessments may be obtained from the County Treasurer. Neither the failure to record the assessment roll as provided in this Section, nor any defect in the roll as recorded shall affect the validity of the assessments, the lien for the payment thereof or the priority of that lien. The County Treasurer is hereby directed to collect the amounts assessed as a tax upon the lots, tracts and parcels of land to which they were assessed.

Section 9. In accordance with NRS 271.390(2), the County Clerk shall give written notice of the levy of assessments by mailing a copy of such notice, postage prepaid, either before or promptly after the effective date of this Ordinance, to the owners of all property upon which the assessment was levied at their last-known addresses. Proof of such mailing shall be made by the affidavit of the County Clerk, provided, however, that failure to mail any such notice or notices shall not invalidate any assessment or any other proceedings concerning the District. Proof of the mailing shall be maintained in the permanent records of the office of the County Clerk until all special assessments and all Bonds shall have been paid in full, as to both principal and interest, or until any claim is barred by an appropriate statute of limitations. The Board hereby determines that the manner of giving notice herein provided by mail is reasonably calculated to inform the parties of the proceedings concerning the District and the levy of assessments which may directly and adversely affect their legally protected interests.

Section 10. The notice provided for in NRS 271.390(2) and in Section 9 of this Ordinance shall be in substantially the following form:

(Form of Notice)

**NOTICE TO PROPERTY OWNERS OF THE LEVY OF ASSESSMENTS FOR
IMPROVEMENTS IN STOREY COUNTY, NEVADA, SPECIAL ASSESSMENT
DISTRICT NO. 01 (RENO-TAHOE INDUSTRIAL CENTER)**

NOTICE IS HEREBY GIVEN to the owners of all property upon which an assessment has been levied that, by an ordinance duly passed, adopted, signed and approved on October 2, 2018 (the "Ordinance"), there were levied and assessed against the lots, tracts and parcels of land specially benefited by the local improvements in what is designated as the "Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center)" (said lots, tracts and parcels of land being more specifically described in the assessment roll designated in the Ordinance), the costs and expenses of such improvements.

The assessments are payable at the times and in the amounts specified in the Ordinance. Failure to pay any installment, whether of principal or interest, when due shall cause the whole amount of the unpaid principal of such assessment to become due and payable immediately at the option of the County, the exercise of said option shall be indicated by the commencement of sale proceedings by the County. The whole amount of the unpaid principal and the interest that has accrued thereon shall after such delinquency, whether or not the option to accelerate the due date for the payment of the unpaid principal is exercised, bear a penalty at the rate of 2% (or at any higher rate authorized by statute, or any lower rate, which may be zero percent, for such period as determined by the County Treasurer) per month (not prorated for any portion of the month) on the unpaid balance of the assessment and accrued interest, until the day of the sale, or until the whole amount of the unpaid principal plus accrued interest and penalties is paid; provided, however, that at any time, prior to the day of such sale, the owner of any such lot or parcel, may pay the aggregate amount of all of the delinquent installments originally becoming due on or before the date of said payment, with accrued interest thereon and all penalties and costs of collection accrued, and shall thereupon be restored to the right thereafter to pay in installments in the same manner as if default had not been suffered.

The amounts assessed as aforesaid constitute a lien upon said lots, tracts and parcels of land from October 2, 2018, which lien shall be coequal with the latest lien thereon to secure the payment of general (ad valorem) taxes and prior and superior to all other liens, claims, encumbrances and titles (other than the liens of assessments and general (ad valorem) taxes).

The sale of any such lot, tract or parcel of land for general (ad valorem) taxes shall not relieve such lot, tract or parcel of land from such assessment or the lien therefor.

DATED this October 2, 2018.

/s/ Vanessa Stephens
County Clerk

Amount of assessment \$ _____

Description of property assessed _____

(End of Form of Notice)

Section 11. The officers of the County are authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Ordinance, including without limiting the generality of the foregoing, the preparation of all necessary documents, legal proceedings and other items necessary or desirable for the issuance of the Bonds.

Section 12. All ordinances, bylaws, resolutions and orders, or parts thereof, in conflict with the provisions of this Ordinance are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any ordinance, bylaw, resolution or order, or part thereof, previously repealed.

Section 13. In accordance with NRS 244.100, this Ordinance when first proposed is to be read by title to the Board, immediately after which several copies of the proposed Ordinance are to be filed with the office of the County Clerk for public examination; thereafter, the County Clerk is authorized and directed to give notice of the filing together with the title of the Ordinance and an adequate summary of the Ordinance, and the date upon which a public hearing will be held on such Ordinance by publication at least once in the Comstock Chronicle, i.e., a newspaper published and having general circulation in the County, at least ten (10) days before the date set for such hearing, i.e., at least ten (10) days before October 2, 2018, such publication to be in substantially the following form:

(Form of Publication of Notice of Filing of Bill for an Ordinance)

BILL NO. _____

ORDINANCE NO. _____

**AN ORDINANCE CONCERNING STOREY COUNTY,
NEVADA, SPECIAL ASSESSMENT DISTRICT NO. 01
(TAHOE-RENO INDUSTRIAL CENTER) AND ASSESSING
THE COST OF LOCAL IMPROVEMENTS AGAINST THE
ASSESSABLE PROPERTY BENEFITED BY THE LOCAL
IMPROVEMENTS.**

NOTICE IS HEREBY GIVEN that typewritten copies of the above-numbered and entitled Ordinance are available for public examination at the office of the County Clerk of Storey County (the "County Clerk"), at her office located at 26 S. B St. Drawer D, Virginia City, Nevada.

The following is a brief summary of the provisions of the Ordinance: The Ordinance provides for special assessments to be levied within Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center) (the "District") for the acquisition and improvement of a water project (the "Project"). The Ordinance sets forth the details of the assessments, including, but not limited to, the dates and amounts of principal of the assessments, as well as the manner of determining interest, prepayment premium, penalties and collection costs, where applicable. The Ordinance provides that amounts assessed shall be a lien upon said lots, tracts and parcels of land from the effective date of the Ordinance until paid, notwithstanding sale of any such lot, tract or parcel of land. The Ordinance provides for notification to and enforcement against owners of any such lot, tract or parcel of land delinquent in payment of assessments.

The Ordinance sets forth the form of written notice of the levy of assessments to be mailed by the County Clerk to the owners of all property upon which an assessment has been levied.

Such Ordinance was proposed on September 4, 2018 and will be considered for adoption at the regular meeting of the Board to be held on October 2, 2018. Prior to consideration of the Ordinance for final adoption, the Board will hold a public hearing on the proposed Ordinance at its regular meeting to be held on Tuesday, October 2, 2018 at 10:00 a.m. at the Storey County Commission Chambers, 26 South B Street, Virginia City, Nevada.

Copies of the Bill are on file in the office of the County Clerk, 26 S. B St. Drawer D, Virginia City, Nevada, for public examination. The Board shall adopt or reject the Ordinance (or the Ordinance as amended) within 35 days after the date of the final public hearing.

IN WITNESS WHEREOF, the Board of County Commissioners of Clark County, Nevada, has caused this notice to be published this September __, 2018.

(SEAL)

/s/ Vanessa Stephens
County Clerk

(End of Form for Publication)

Section 14. After this Ordinance is signed by the Chairman of the Board and attested and sealed by the County Clerk, this Ordinance shall be published by title only, together with the names of the commissioners voting for or against its passage, and with a statement that typewritten copies of such Ordinance are available for inspection by all interested parties at the office of the County Clerk, such publication to be made in the Comstock Chronicle, a newspaper published and having general circulation in the County, at least once a week for a period of 2 weeks by 2 insertions, pursuant to NRS 244.100, and all laws thereunto enabling, such publication to be in substantially the following form:

(Form of Publication)

BILL NO. _____

ORDINANCE NO. _____
(of Storey County, Nevada)

**AN ORDINANCE CONCERNING STOREY COUNTY,
NEVADA, SPECIAL ASSESSMENT DISTRICT NO. 01
(TAHOE-RENO INDUSTRIAL CENTER) AND ASSESSING
THE COST OF LOCAL IMPROVEMENTS AGAINST THE
ASSESSABLE PROPERTY BENEFITED BY THE LOCAL
IMPROVEMENTS.**

Public Notice is hereby given that copies of the above-numbered and entitled ordinance are available for inspection by all interested parties at the office of the County Clerk at _____, Virginia City, Nevada; and that such ordinance was proposed by Commissioner _____ on September 4, 2018, and was passed and adopted without amendment at a regular meeting held not more than 35 days after the close of the hearing, i.e., at the regular meeting held on October 2, 2018, by the following vote of the Board of County Commissioners:

Those Voting Aye:

Those Voting Nay:

Those Abstaining:

Those Absent:

This ordinance shall be in full force and effect from and after the ____ day of October, 2018, (i.e., the date of the second publication of such ordinance by its title only).

IN WITNESS WHEREOF, the Board of County Commissioners of Storey County, Nevada, has caused this ordinance to be published by title only.

DATED this October 2, 2018.

/s/ Marshall McBride

Chairman
Board of County Commissioners
Storey County, Nevada

(SEAL)

Attest:

/s/ Vanessa Stephens
County Clerk

(End of Form of Publication)

Section 15. If any section, paragraph, clause or other provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or other provision shall not affect any of the remaining provisions of this Ordinance.

Proposed on September 4, 2018.

Proposed by Commissioner _____

Passed October 2, 2018.

Vote:

Aye:

Nays:

Absent:

Attest:

Chairman
Board of County Commissioners
Storey County, Nevada

County Clerk

This Ordinance shall be in force and effect from and after the ____ day of October, 2018, i.e., the date of the second publication of such Ordinance by its title only.

STATE OF NEVADA)
) ss.
STOREY COUNTY)

I am the duly chosen, qualified and acting County Clerk of Storey County (the "County"), in the State of Nevada (the "State"), do hereby certify:

1. The foregoing pages constitute a true, correct and compared copy of an ordinance introduced at a regular meeting of the Board of County Commissioners (the "Board") held on September 4, 2018, and passed and adopted by the Board at a regular meeting of the Board held on October 2, 2018; such copy of such ordinance is a true, correct and compared copy of the original passed and adopted by the Board at the designated meeting and the original of such ordinance has been approved and authenticated by the signature of the Chairman of the Board and myself as Clerk, and has been recorded in the minute book of the Board kept for that purpose in my office, which record has been duly signed by such officers and properly sealed.

2. The members of the Board were present at each meeting and voted on the passage of such ordinance as provided therein.

3. All members of the Board were given due and proper notice of each meeting.

4. Public notice of each meeting attached as Exhibit A and Exhibit B was given and each such meeting was held and conducted in full compliance with the provisions of NRS 241.020. A copy of the notice of each such meeting and excerpt from the agenda for the meeting relating to the ordinance, as posted at least 3 working days in advance of the meeting at the Board's office, the County's website, the State's website, and three other locations, i.e., at:

- (i) Virginia City Post Office
- (ii) Storey County Courthouse
- (iii) Virginia City Fire Station
- (iv) Virginia City Highlands Fire Station
- (v) Lockwood Fire Station

5. At least three working days before such meeting, such notice was given to each member of the Board and to each person, if any, who has requested notice of meetings of the Board in accordance with the provisions of Chapter 241 of NRS.

6. Affidavits of publication of the notice of filing of the Ordinance and the notice of adoption of the Ordinance are attached hereto as Exhibit C.

IN WITNESS WHEREOF, I have hereunto set my hand on October 2, 2018.

County Clerk

EXHIBIT A

(Attach Copy of Notice of September 4, 2018 Meeting)

EXHIBIT B

(Attach Copy of Notice of October 2, 2018 Meeting)

EXHIBIT C

(Attach Affidavits of Publication of Ordinance)



Storey County Board of County Commissioners Agenda Action Report

Meeting date: October 2, 2018

Estimate of time required: 15 minutes

Agenda: Consent [] Regular agenda [X] Public hearing required []

1. **Title:** Consideration and possible adoption of Ordinance No. 18 – 290A, as if on an emergency basis, concerning Storey County, Nevada Special Assessment District No. 01 (Tahoe Reno Industrial Center) levying the assessment of the cost of building the off-site portion of the effluent pipeline from the Truckee Meadows Water Reclamation Facility to the Tahoe Reno Industrial Center against the assessable property benefitted by the pipeline.
2. **Recommended motion:** I _____ (Commissioner) move to approve adoption of Storey County Ordinance 18-290A concerning Special Assessment District No. 01 (Tahoe Reno Industrial Center) levying the assessment of the costs of constructing the off-site portion of the effluent pipeline upon the properties benefitted by the pipeline as if an emergency existed.

3. **Prepared by:** Keith Loomis

Department: District Attorney's Office

Telephone: 847-0964

4. **Staff summary:** The County did a first reading of ordinance 18-290 on September 4, 2018. That action has been challenged by an Open Meeting Law Complaint filed with the Attorney General's Office. A response to that complaint has also been filed and it is believed that the complaint will not be upheld. Nevertheless, NRS 271.308 and NRS 271.390(1) allow an ordinance levying the assessment of costs of constructing a water project to be adopted as if an emergency exists. This means that with the consent of the entire board the approval of an ordinance can be done immediately. NRS 244.100(4). This item essentially duplicates the second reading of Ordinance 18-289. This duplication is thought to be a prudent response to the Open Meeting Law Complaint arguably filed against the first reading of this ordinance which occurred on September 4, 2018. In case the challenge is upheld, the County can nevertheless proceed with the levying of the assessments.

5. **Supporting materials:**

Proposed Ordinance 18-289A

6. **Fiscal impact:**

Funds Available:

Fund:

_____ Comptroller

7. **Legal review required:**

____ District Attorney

8. **Reviewed by:**

____ Department Head
____ County Manager

Department Name:
Other agency review: _____

9. **Board action:**

☐ Approved
☐ Denied

☐ Approved with Modifications
☐ Continued

Agenda Item No. 16

Summary – An ordinance levying assessments in Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center), ratifying action taken by County officers toward the levy of assessments, and providing other matters related thereto.

BILL NO. _____

ORDINANCE NO. 18-290 A

AN ORDINANCE CONCERNING STOREY COUNTY, NEVADA, SPECIAL ASSESSMENT DISTRICT NO. 01 (TAHOE-RENO INDUSTRIAL CENTER) AND ASSESSING THE COST OF LOCAL IMPROVEMENTS AGAINST THE ASSESSABLE PROPERTY BENEFITED BY THE LOCAL IMPROVEMENTS.

WHEREAS, pursuant to NRS 271.325 an accurate estimate of cost, full and detailed plans and specifications, an assessment plat and other materials related to a water project (collectively, the "Project") to be acquired pursuant to NRS chapter 271 (the "Act") have been prepared and presented to the Board of County Commissioners (the "Board") of Storey County, Nevada (the "County"); and

WHEREAS, the Board hereby deems it necessary to create Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center) (the "District") for the purpose of acquiring and improving the Project, and for the purpose of financing the entire cost and expense of the Project by special assessments according to benefits levied against the benefited lots, tracts and parcels of land in the District; and

WHEREAS, pursuant to the County's Developer Special Assessment District Guidelines, there has previously been presented to the Board a written petition in the form of an Economic Development Financing Proposal from Eagle Valley Acquisition LLC, TRIC Acquisition, LLC, Silver Slate LLC, Comstock TRIC Associates, LLC, Supernap Reno, LLC, Tesla, Inc. (fka Tesla Motors, Inc.), 1200 USA Pkwy LLC, and Emerald City Empire, LLC (collectively, the "Owners"), requesting the County to initiate the acquisition and improvement of the Project, to issue bonds and to levy assessments pursuant to the Act, including, specifically, NRS 271.710 and 271.720; and

WHEREAS, the County and the Owners have entered into a District Financing Agreement (the "Financing Agreement"), for the acquisition and improvement of the Project which contains the terms and conditions required by NRS 271.710 and 271.720; and

WHEREAS, the Owners are the owners of 100% of the assessable property comprising the District; and

WHEREAS, the District has been created by an ordinance designated as the "District No. 01 Creation Ordinance" previously approved by the Board under the provisions of the Act; and

WHEREAS, pursuant to the District No. 01 Creation Ordinance, the Board has determined that the entire cost and expense to the County of the acquisition and improvement of the Project is to be paid by special assessments levied against the benefited lots, tracts and parcels of land in the District (except for an amount of \$157,421.29 to be paid in cash in lieu of an assessment) ; and

WHEREAS, such cost and expense of the Project includes the costs and expenses of the County to be incurred in connection with the issuance of bonds by the County (the "Bonds") to finance the cost of the acquisition and improvement of the Project and the amount of reserve and other funds for the Bonds; and

WHEREAS, pursuant to the District No. 01 Creation Ordinance, the Board has determined and does hereby declare that the net cost to the County of the Project is \$35,000,000, of which \$157,421.29 is available from other sources and \$34,842,578.71 is to be assessed upon the benefited lots, tracts and parcels of land in the District; and

WHEREAS, the Board, by resolution duly adopted, directed the County Engineer and Farr West Engineering (collectively, the "Engineer"), to make out a preliminary assessment roll; and

WHEREAS, after determination of the cost and expense of the acquisition and improvement of the Project to be paid by the property specially benefited, the Board, together with the Engineer, made out an assessment roll containing, among other things, the name and address of the last-known owner of the property to be assessed, a description of each lot, tract and parcel of land to be assessed, and the amount of the assessment thereon and has heretofore filed the assessment roll with the County Clerk; and

WHEREAS, pursuant to the Engineer's Report for the District prepared by the Engineer and heretofore placed on file with the County Clerk (the "Engineer's Report"), together with certain recitations of the Owners contained within the Financing Agreement and the appraisal from Mark E. Stafford, Certified General Appraiser, the Board has determined that the

assessments do not exceed the benefits to the property assessed nor the total cost and expense of the acquisition and improvement of the Project payable from assessments and do not exceed the reasonable market value of the lots, tracts and parcels of land to be assessed; and

WHEREAS, it is incumbent upon the Board to provide when said assessments shall become due and the penalties payable after any delinquency; and

WHEREAS, the Board has determined and does hereby declare as follows:

A. It is necessary and for the best interests of the County to effect the Project and to issue the Bonds;

B. This Ordinance pertains to the sale, issuance and payment of the Bonds; this declaration shall be conclusive in the absence of fraud or gross abuse of discretion in accordance with the provisions of NRS 271.710(2)(c); and

C. This Ordinance may accordingly be adopted as if an emergency now exists and may become effective at the same time when an emergency ordinance of the County may go into effect pursuant to NRS 244.100.

NOW, THEREFORE, THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF STOREY, IN THE STATE OF NEVADA, DO ORDAIN:

Section 1. This ordinance shall be known as and may be cited by the short title "District No. 01 Assessment Ordinance" (this "Ordinance").

Section 2. All actions, proceedings and matters previously taken, had and done by the County and the officers thereof (not inconsistent with the provisions of this Ordinance) concerning the District, including, but not limited to, the acquisition and improvement of the Project, the levy of assessments for those purposes, and the validation and confirmation of the assessment roll and the assessments therein, are ratified, approved and confirmed.

Section 3. For the purpose of paying the cost and expense of acquisition and improvement of the Project by the County, there are hereby levied and assessed against the lots, tracts and parcels of land in the District specially benefited by the Project and described in the assessment roll for the District in the form on file in the office of the County Clerk on the date of adoption of this Ordinance, the amounts and assessments shown in the assessment roll (as so filed). Pursuant to the Engineer's Report, together with certain recitations of the Owners contained within the Financing Agreement, the Board hereby finds and determines that such

assessments do not exceed the benefits to the property assessed nor the total cost and expense of the acquisition and improvement of the Project payable from assessments as previously determined and do not exceed the reasonable market value of the lots, tracts and parcels of land to be assessed.

Section 4. Pursuant to the Financing Agreement, the Owners have elected to pay the assessments in installments, with interest as hereinafter provided, and the Board hereby authorizes such manner of payment. The unpaid assessments shall be payable at the office of the County Treasurer on March 1 and September 1 of each year, commencing on March 1, 2019, in fifty (50) semi-annual substantially equal installments of principal and interest until paid in full, with interest in all cases on the unpaid and deferred installments of principal from the effective date of this Ordinance at a rate or rates, which shall not exceed by more than one percent (1%) the highest rate of interest on the Bonds issued for the District. After the effective date of this Ordinance and before assessment bonds are issued (or if bonds are not issued), the County Manager or the Chief Financial Officer of the County shall fix the rate of interest on the unpaid and deferred installments of assessments. The effective interest rate on the Bonds will not exceed the statutory maximum rate (i.e., will not exceed by more than three percent (3%) the "Index of Twenty Bonds" that is most recently published in The Bond Buyer before a negotiated offer for the sale of the Bonds is accepted).

The installments of the assessments shall be payable at the office of the County Treasurer. Pursuant to NRS 271.415(5), the County Treasurer shall notify the owners of real property within the District of the amounts becoming due and each such owner shall be deemed notified and shall be responsible for any penalties or delinquencies regardless of such owner's failure to maintain an accurate mailing address with the County Assessor. Such notice shall state that the assessment installment is payable not later than the March 1 or September 1 next succeeding such notice. Failure to pay any installment, whether of principal or interest, when due shall cause the whole amount of the unpaid principal of such assessment to become due and payable immediately at the option of the County, the exercise of said option shall be indicated by the commencement of sale proceedings by the County. The whole amount of the unpaid principal and the interest that has accrued thereon shall after such delinquency, whether or not the option to accelerate the due date for the payment of the unpaid principal is exercised, bear a penalty at the rate of 2% (or at any higher rate authorized by statute, or any lower rate, which

may be zero percent, for such period as determined by the County Treasurer) per month (not prorated for any portion of the month) on the unpaid balance of the assessment and accrued interest, until the day of the foreclosure sale or until the whole amount of the unpaid principal plus accrued interest and penalties is paid; provided, however, that at any time prior to the day of such sale, the owner of any such lot or parcel may pay the aggregate amount of all of the delinquent installments originally becoming due on or before the date of said payment, with accrued interest thereon and all penalties and costs of collection accrued, and shall thereupon be restored to the right thereafter to pay in installments in the same manner as if a default had not been suffered.

The owner of any property assessed and not in default as to any assessment installment or payment may, at any time (at the option of such owner), pay the whole or any portion of the unpaid principal with interest accruing thereon to the next assessment payment date, together with a prepayment premium equal to 3.00% of the principal amount so prepaid. If the Bonds may then be redeemed without the payment of any premium or with a premium of less than three percent (3%), the County, in its sole discretion, may waive the requirement of payment of the redemption premium; provided that the County shall collect a premium upon the prepayment of an assessment which is not less than the premium which is then due for redemption of the Bonds. No waiver for or modification of a particular prepayment premium shall be deemed to be a waiver for or modification of any other prepayment premium unless the County expressly waives or modifies the prepayment penalty for all assessments. After any partial prepayment of an assessment or refunding of the Bonds pursuant to NRS 271.488, the County Treasurer shall reamortize the assessment installments due on the parcel on which the partial prepayment was made or, in the case of a refunding, on all parcels, so that the remaining installments are semiannual substantially level installments of principal and interest with a final due date of September 1, 2043.

Assessment installments or assessment prepayments shall be reduced by the amount of any credits available for such installments or prepayments as provided in the Financing Agreement. This Section does not prevent the County from amending this Ordinance, the Financing Agreement or any other documents executed in connection with the Bonds to provide for other uses of the interest earned on Bond proceeds, any excess Bond proceeds or the reserve fund established for the Bonds (the "Reserve Fund") in connection with a refunding of

the Bonds; and the owners of the property assessed in the District have no entitlement to payment of any amounts in the interest earned on Bond proceeds, any excess Bond proceeds or the Reserve Fund in the event of such an amendment.

Section 5. The amounts assessed as aforesaid shall be a lien upon said lots, tracts and parcels of land from the effective date of this Ordinance until paid, coequal with the latest lien thereon to secure the payment of general (ad valorem) taxes and prior and superior to all other liens, claims, encumbrances and titles (other than the liens of assessments and general (ad valorem) taxes).

The sale of any such lot, tract or parcel of land for general or other taxes shall not relieve such lot, tract or parcel of land from such assessment or the lien therefor. Such amounts shall continue to be a lien upon the lots, tracts and parcels of land assessed until paid in full (including all principal and the interest thereon, and any penalties and collection costs).

Section 6. (a) Should any lot, tract or parcel of land within the District be divided after the effective date of this Ordinance and before the collection of all the assessment installments, the Board may require the County Treasurer to apportion the uncollected amounts upon the several parts of land so divided on a net assessable area basis; provided that the applicant, at the time of such apportionment, may request that the uncollected amounts be apportioned on a net area basis. The County may consider such request and, in its sole discretion, apportion the uncollected assessments accordingly. For purposes of such apportionment, the term "net assessable area" shall exclude (i) areas excluded from the definition of "assessable property" pursuant to NRS 271.040, (ii) areas designated on the assessment plat as being areas of non-assessment, and (iii) private streets, properties which are conveyed with restrictions limiting the uses of such properties to common areas, parks, landscaped areas and other permanent open space. In the event that any conflict exists between the provisions of the assessment plat and this Ordinance, the terms of this Ordinance shall control. The area of lands not included in the net assessable area may be estimated by the County in the case of any apportionment for which final legal descriptions of the excluded area are not yet available and any such estimate shall be final and conclusive absent fraud.

(b) The County may also reapportion assessments on tracts with the consent of property owners whose assessment will be increased thereby pursuant to NRS 271.425(3) or NRS 271.710(2) if the Board finds that the proposed action will not:

(i) materially or adversely impair the obligation of the County with respect to the Bonds; or

(ii) increase the principal balance of any assessment to an amount such that the aggregate amount which is assessed against a tract exceeds the minimum benefit to the tract that is estimated to result from the project which is financed by the assessment.

(c) The report of such an apportionment, when approved, shall be conclusive on all the parties, and all assessments thereafter made upon the tracts shall thereafter be according to the subdivision. The report, when approved, shall be recorded in the office of the County Recorder, together with a statement that the current payment status of any of the assessments may be obtained from the County Treasurer. Neither the failure to record the report nor any defect in the report as recorded shall affect the validity of the assessments, the lien for the payment thereof or the priority of that lien.

Section 7. In case any such lot, tract or parcel of land so assessed is delinquent in the payment of such assessment or any installment of principal or interest, the County Treasurer promptly (but in no event later than 60 days after the installment due date) shall mark the assessment installment delinquent on the assessment roll for the District and shall notify the owner of such delinquent property, if known, in writing of such delinquency, by first class mail, postage prepaid, addressed to the addressee's last-known address. Said assessment shall be enforced by the County Treasurer and other officers of the County, as provided in NRS 271.545 to 271.630, and the assessment roll and certified copy of this Ordinance shall be prima facie evidence of the regularity of the proceedings. Unless otherwise directed by the Board, in the case of such a collection, the County Treasurer shall determine whether to cause the whole amount of the unpaid assessment with respect to such property to be immediately due and payable. If any such collection is not promptly enforced by the County, any bondholder may file and prosecute a foreclosure action in the name of the County. Any bondholder may also proceed against the County to protect and enforce the rights of the owners of the Bonds under this Ordinance and the Act by suit, action or special proceedings in equity or at law, either for the appointment of a receiver or for the specific performance of any provision contained herein or in the Act or in an award of execution of any power herein granted for the enforcement of any proper legal or equitable remedy as such bondholder may deem most effectual to protect and enforce the rights aforesaid. All such proceedings at law or in equity shall be instituted, had and

maintained for the equal benefit of all owners of the Bonds then outstanding. The failure of the bondholders so to foreclose upon the property which is the subject of such delinquent assessments or so to proceed against the County, or both, shall not relieve the County or any of its officers, agents or employees of any duty so to take the actions hereinabove set forth.

Section 8. The County Clerk is hereby directed to deliver to the County Assessor, the County Recorder and the County Treasurer, a copy of the final assessment roll containing a description of the lots, tracts and parcels of land being assessed, with the amount of the assessment levied upon each and the name and address of the owner against whom the assessment was made, together with a statement that the current payment status of any of the assessments may be obtained from the County Treasurer. Neither the failure to record the assessment roll as provided in this Section, nor any defect in the roll as recorded shall affect the validity of the assessments, the lien for the payment thereof or the priority of that lien. The County Treasurer is hereby directed to collect the amounts assessed as a tax upon the lots, tracts and parcels of land to which they were assessed.

Section 9. In accordance with NRS 271.390(2), the County Clerk shall give written notice of the levy of assessments by mailing a copy of such notice, postage prepaid, either before or promptly after the effective date of this Ordinance, to the owners of all property upon which the assessment was levied at their last-known addresses. Proof of such mailing shall be made by the affidavit of the County Clerk, provided, however, that failure to mail any such notice or notices shall not invalidate any assessment or any other proceedings concerning the District. Proof of the mailing shall be maintained in the permanent records of the office of the County Clerk until all special assessments and all Bonds shall have been paid in full, as to both principal and interest, or until any claim is barred by an appropriate statute of limitations. The Board hereby determines that the manner of giving notice herein provided by mail is reasonably calculated to inform the parties of the proceedings concerning the District and the levy of assessments which may directly and adversely affect their legally protected interests.

Section 10. The notice provided for in NRS 271.390(2) and in Section 9 of this Ordinance shall be in substantially the following form:

(Form of Notice)

**NOTICE TO PROPERTY OWNERS OF THE LEVY OF ASSESSMENTS FOR
IMPROVEMENTS IN STOREY COUNTY, NEVADA, SPECIAL ASSESSMENT
DISTRICT NO. 01 (RENO-TAHOE INDUSTRIAL CENTER)**

NOTICE IS HEREBY GIVEN to the owners of all property upon which an assessment has been levied that, by an ordinance duly passed, adopted, signed and approved on October 2, 2018 (the "Ordinance"), there were levied and assessed against the lots, tracts and parcels of land specially benefited by the local improvements in what is designated as the "Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center)" (said lots, tracts and parcels of land being more specifically described in the assessment roll designated in the Ordinance), the costs and expenses of such improvements.

The assessments are payable at the times and in the amounts specified in the Ordinance. Failure to pay any installment, whether of principal or interest, when due shall cause the whole amount of the unpaid principal of such assessment to become due and payable immediately at the option of the County, the exercise of said option shall be indicated by the commencement of sale proceedings by the County. The whole amount of the unpaid principal and the interest that has accrued thereon shall after such delinquency, whether or not the option to accelerate the due date for the payment of the unpaid principal is exercised, bear a penalty at the rate of 2% (or at any higher rate authorized by statute, or any lower rate, which may be zero percent, for such period as determined by the County Treasurer) per month (not prorated for any portion of the month) on the unpaid balance of the assessment and accrued interest, until the day of the sale, or until the whole amount of the unpaid principal plus accrued interest and penalties is paid; provided, however, that at any time, prior to the day of such sale, the owner of any such lot or parcel, may pay the aggregate amount of all of the delinquent installments originally becoming due on or before the date of said payment, with accrued interest thereon and all penalties and costs of collection accrued, and shall thereupon be restored to the right thereafter to pay in installments in the same manner as if default had not been suffered.

The amounts assessed as aforesaid constitute a lien upon said lots, tracts and parcels of land from October 2, 2018, which lien shall be coequal with the latest lien thereon to secure the payment of general (ad valorem) taxes and prior and superior to all other liens, claims, encumbrances and titles (other than the liens of assessments and general (ad valorem) taxes).

The sale of any such lot, tract or parcel of land for general (ad valorem) taxes shall not relieve such lot, tract or parcel of land from such assessment or the lien therefor.

DATED this October 2, 2018.

/s/ Vanessa Stephens
County Clerk

Amount of assessment \$ _____

Description of property assessed _____

(End of Form of Notice)

Section 11. The officers of the County are authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Ordinance, including without limiting the generality of the foregoing, the preparation of all necessary documents, legal proceedings and other items necessary or desirable for the issuance of the Bonds.

Section 12. All ordinances, bylaws, resolutions and orders, or parts thereof, in conflict with the provisions of this Ordinance are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any ordinance, bylaw, resolution or order, or part thereof, previously repealed.

Section 13. The Board has expressed in the preambles of this Ordinance that this Ordinance pertains to the issuance local improvement bonds, that this Ordinance may accordingly be adopted as if an emergency now exists, and may become effective at any time when an emergency ordinance of the County may go into effect. Consequently, pursuant to NRS 271.710(2)(c), final action shall be taken immediately, and this Ordinance shall be in effect from and after its publication by title and collateral statement as herein provided.

Section 14. After this Ordinance is signed by the Chairman of the Board and attested and sealed by the County Clerk, this Ordinance shall be published by title only, together with the names of the commissioners voting for or against its passage, and with a statement that typewritten copies of such Ordinance are available for inspection by all interested parties at the office of the County Clerk, such publication to be made in the Comstock Chronicle, a newspaper published and having general circulation in the County, at least once a week for a period of 2 weeks by 2 insertions, pursuant to NRS 244.100, and all laws thereunto enabling, such publication to be in substantially the following form:

(Form of Publication)

BILL NO. _____

ORDINANCE NO. _____
(of Storey County, Nevada)

**AN ORDINANCE CONCERNING STOREY COUNTY,
NEVADA, SPECIAL ASSESSMENT DISTRICT NO. 01
(TAHOE-RENO INDUSTRIAL CENTER) AND ASSESSING
THE COST OF LOCAL IMPROVEMENTS AGAINST THE
ASSESSABLE PROPERTY BENEFITED BY THE LOCAL
IMPROVEMENTS.**

Public Notice is hereby given that copies of the above-numbered and entitled ordinance are available for inspection by all interested parties at the office of the County Clerk at _____, Virginia City, Nevada; and that such ordinance was proposed by Commissioner _____ on October 2, 2018, and was passed and adopted without amendment at a regular meeting held not more than 35 days after the close of the hearing, i.e., at the regular meeting held on October 2, 2018, by the following vote of the Board of County Commissioners:

Those Voting Aye:

Those Voting Nay:

Those Abstaining:

Those Absent:

This ordinance shall be in full force and effect from and after the ____ day of October, 2018, (i.e., the date of the second publication of such ordinance by its title only).

IN WITNESS WHEREOF, the Board of County Commissioners of Storey County, Nevada, has caused this ordinance to be published by title only.

DATED this October 2, 2018.

/s/ Marshall McBride

Chairman
Board of County Commissioners
Storey County, Nevada

(SEAL)

Attest:

/s/ Vanessa Stephens
County Clerk

(End of Form of Publication)

Section 15. If any section, paragraph, clause or other provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or other provision shall not affect any of the remaining provisions of this Ordinance.

Proposed on October 2, 2018.

Proposed by Commissioner _____

Passed October 2, 2018.

Vote:

Aye:

Nays:

Absent:

Attest:

Chairman
Board of County Commissioners
Storey County, Nevada

County Clerk

This Ordinance shall be in force and effect from and after the ____ day of October, 2018, i.e., the date of the second publication of such Ordinance by its title only.

STATE OF NEVADA)
) ss.
STOREY COUNTY)

I am the duly chosen, qualified and acting County Clerk of Storey County (the "County"), in the State of Nevada (the "State"), do hereby certify:

1. The foregoing pages constitute a true, correct and compared copy of an ordinance passed and adopted by the Board at a regular meeting of the Board held on October 2, 2018; such copy of such ordinance is a true, correct and compared copy of the original passed and adopted by the Board at the designated meeting and the original of such ordinance has been approved and authenticated by the signature of the Chairman of the Board and myself as Clerk, and has been recorded in the minute book of the Board kept for that purpose in my office, which record has been duly signed by such officers and properly sealed.

2. The members of the Board were present at each meeting and voted on the passage of such ordinance as provided therein.

3. All members of the Board were given due and proper notice of each meeting.

4. Public notice of the meeting attached as Exhibit A was given and the such meeting was held and conducted in full compliance with the provisions of NRS 241.020. A copy of the notice of such meeting and excerpt from the agenda for the meeting relating to the ordinance, as posted at least 3 working days in advance of the meeting at the Board's office, the County's website, the State's website, and three other locations, i.e., at:

- (i) Virginia City Post Office
- (ii) Storey County Courthouse
- (iii) Virginia City Fire Station
- (iv) Virginia City Highlands Fire Station
- (v) Lockwood Fire Station

5. At least three working days before such meeting, such notice was given to each member of the Board and to each person, if any, who has requested notice of meetings of the Board in accordance with the provisions of Chapter 241 of NRS.

6. Affidavits of publication of the notice of adoption of the Ordinance are attached hereto as Exhibit B.

IN WITNESS WHEREOF, I have hereunto set my hand on October 2, 2018.

County Clerk

EXHIBIT A

(Attach Copy of Notice of October 2, 2018 Meeting)

EXHIBIT B

(Attach Affidavits of Publication of Ordinance)



Storey County Board of County Commissioners Agenda Action Report

Meeting date: Oct 2, 2018

Estimate of time required: 30 min

Agenda: Consent [] Regular agenda [X] Public hearing required []

1. **Title:** DISCUSSION/POSSIBLE ACTION: Approval of Resolution 18-510 directing the engineer on behalf of Storey County, Nevada to prepare and file with the County Clerk preliminary plans and an assessment plat in connection with a proposed water project in Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center).
2. **Recommended motion** I, (Commissioner), move for approval of Resolution 18-510 directing the engineer on behalf of Storey County, Nevada to prepare and file with the County Clerk preliminary plans and an assessment plat in connection with a proposed water project in Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center).

3. **Prepared by:** Pat Whitten

Department: Commissioner's Office

Telephone: 847-0968

4. **Staff summary:** As presented

5. **Supporting materials:** Draft Resolution 18-510

6. **Fiscal impact:**

Funds Available:

Fund:

____ Comptroller

7. **Legal review required:** n/a

____ District Attorney

8. **Reviewed by:**

____ Department Head

Department Name: Commissioners

____ County Manager

Other agency review:

9. **Board action:**

☐ Approved

☐ Denied

☐

Approved with Modifications

☐

Continued

Agenda Item # 17

Summary – A resolution directing the Engineer to prepare preliminary plans and an assessment plat for Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center).

RESOLUTION NO. 18-510
(of Storey County, Nevada)

A RESOLUTION DIRECTING THE ENGINEER ON BEHALF OF STOREY COUNTY, NEVADA TO PREPARE AND FILE WITH THE COUNTY CLERK PRELIMINARY PLANS AND AN ASSESSMENT PLAT IN CONNECTION WITH A PROPOSED WATER PROJECT IN STOREY COUNTY, NEVADA, SPECIAL ASSESSMENT DISTRICT NO. 01 (TAHOE-RENO INDUSTRIAL CENTER).

WHEREAS, the Board of County Commissioners (the "Board") of Storey County (the "County") in the State of Nevada, pursuant to Nevada Revised Statutes ("NRS") 271.710 and the County's Developer Special Assessment District Guidelines, has received an Economic Development Finance Proposal (the "Petition") from the owners of certain property located in the County requesting the formation of a Special Assessment District (the "District") ; and

WHEREAS, the Petition requests the formation of the District and the acquisition and improvement of a water project (the "Project") pursuant to NRS Chapter 271.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF STOREY COUNTY, NEVADA:

Section 1. Farr West Engineering (the "Engineer"), is hereby directed to prepare and file with the County Clerk preliminary plans showing a typical section of the contemplated improvements, the type or types of material, approximate thickness and wideness, and a preliminary estimate of the cost of the Project (including all incidental costs), and a preliminary estimate of the total cost to be assessed for the acquisition and improvement of the Project. The Project consists of the acquisition and construction of certain improvements within the District to include without limitation water projects as defined in NRS 271.250 described in Section 2 of this resolution, and all appurtenances and incidentals necessary, useful or desirable, including real and other property therefor, which is more particularly described (with all segment lengths to be current approximations subject to minor adjustment) as set forth below:

This project consists of the acquisition and improvement of a water project consisting of an approximately 13 mile water pipeline of an approximate diameter of 24 inches to deliver at a minimum 4,000 acre-feet of treated wastewater effluent from the Truckee Meadows Water Reclamation Facility in Sparks, Nevada, to the boundary of the Tahoe-Reno Industrial Center, including facilities appertaining to a municipal water system for the collection, transportation, and distribution of water, including without limitation pumping plants and stations, valves, standpipes, connections, hydrants, conduits, flumes, sluices, water transmission mains, pipes, lines, laterals, and service pipes, engines, boilers, pumps, meters, apparatus, tools, equipment, fixtures, structures, buildings, and all appurtenances and incidentals necessary, useful or desirable for the acquisition, transportation and distribution of untreated water for commercial and industrial use (or any combination thereof), including real and other property therefor.

This cost includes the required improvements for maintenance access by TRIGID.

This project has an estimated construction cost of \$35,000,000, with an eligible assessment cost of not to exceed \$35,000,000. Anticipated acquisition and improvement of the project is expected to be completed in 18 months.

Section 2. The boundaries of the District, including the property to be assessed, is described as follows:

The following land situated in the County of Storey, State of Nevada, and described as follows:

**SPECIAL ASSESSMENT DISTRICT NO. 01
(RENO-TAHOE INDUSTRIAL CENTER)**

DESCRIBED IN EXHIBIT B

Total area: approximately 3,769.18 acres

Section 3. Except as shown on the preliminary plans for the District, to be filed by the Engineer in the office of the County Clerk, the location of the Project and the District shall be as described in Sections 1 and 2 hereof, respectively.

Section 4. The Engineer is hereby directed to estimate the cost of each type of construction in a lump sum or by unit prices, as the Engineer may determine is most desirable, for the construction, acquisition, improvement and installation of the Project. Such preliminary estimate of costs shall also include, without limiting the generality of the foregoing, the advertising, appraising, engineering, legal, printing and such other expenses as in the judgment of the Engineer are necessary or essential to the completion of such work or improvement attributable to the costs in the District and the payment of the cost thereof. Such preliminary

estimate shall also include the amounts estimated to be deposited from bond proceeds in reserve and other funds for the bonds to be issued by the County to provide the funds for the construction, acquisition, improvement and installation of the Project. The entire cost of the Project is of special benefit and shall be paid by special assessment against the lots, tracts and parcels of land benefited.

Section 5. The Engineer is hereby directed to prepare and file with the County Clerk an assessment plat showing the area to be assessed, a description of each lot, tract or parcel of land, the name and address of the owner, and the amount of estimated maximum benefits to be assessed against each lot, tract and parcel of land, which are assessable and specially benefitted; such estimated benefits may be shown by an attached addendum to the plat, which may be designated as the preliminary assessment roll or tabulation of parcels. An equitable adjustment will be made for assessments to be levied against wedge or V or other irregularly shaped lots, tracts or parcels of land, if any, and for any lot, tract or parcel of land not specially benefitted by the Project so that assessments according to benefits are to be equal and uniform. In any event, the assessments shall be against all lots, tracts and parcels of land benefitted by the Project proportionally to benefits received. Such basis of assessments is hereby designated by the Board.

Section 6. All of the costs of the Project are to be paid from special assessments. Assessments will be levied by proportional share of the process water resource effluent available to each property owner in the District from the Project.

Section 7. The officers of the County are authorized and directed to take all action necessary to effectuate the provisions of this resolution.

Section 8. All action, proceedings and matters previously taken, had and done by the County and the officers of the County (not inconsistent with the provisions of this resolution) concerning the District and the Project, be, and the same hereby are, ratified, approved and confirmed.

Section 9. All bylaws, orders and resolutions, or parts thereof, in conflict with this resolution, are repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, or resolution, or part thereof, previously repealed.

Section 10. If any section, paragraph, clause or provision of this resolution shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this resolution. The Board has determined and does hereby declare that this resolution shall be in effect upon its passage in accordance with law.

PASSED AND APPROVED THIS SEPTEMBER 4, 2018.

Chairman of the Board
Board of County Commissioners
Storey County, Nevada

(SEAL)

Attest:

County Clerk

STATE OF NEVADA)
) ss.
COUNTY OF STOREY)

I am the duly appointed, qualified and acting County Clerk of Storey County (the "County"), Nevada, and in the performance of my duties as County Clerk and ex officio Clerk of its Board of County Commissioners (the "Board"), do hereby certify:

1. The foregoing pages are a true and correct copy of a resolution adopted at a regular meeting of the Board held on September 4, 2018.

2. The adoption of the Resolution was duly moved and seconded and the Resolution was adopted by an affirmative vote of a majority of the members of the Board as follows:

Those Voting Aye:

Those Voting Nay:

Those Absent:

Those Abstaining:

3. The members of the Board were present at such meeting and voted on the passage of such Resolution as set forth above.

4. The resolution was approved and authenticated by the signature of the Chairman of the Board, sealed with the County seal, attested by the Clerk and recorded in the minutes of the Board.

5. All members of the Board were given due and proper notice of the meeting. Public notice of the meeting was given and the meeting was held and conducted in full compliance with the provisions of NRS 241.020. A copy of the notice of meeting was posted not later than 9:00 a.m. at least 3 working days in advance of the meeting at:

- (i) Virginia City Post Office
- (ii) Storey County Courthouse
- (iii) Virginia City Fire Station
- (iv) Virginia City Highlands Fire Station
- (v) Lockwood Fire Station

6. A copy of the notice was posted on the County's website and on the State of Nevada's official website no later than 9:00 a.m. on the third working day prior to the meeting.

7. A copy of the notice was given to each person, if any, who has requested notice of the meetings of the Board in the same manner in which notice is required to be given to a member of the Board. Such notice, if mailed, was delivered to the postal service no later than 9:00 a.m. on the third working day prior to the meeting.

8. Upon request, the Board provides at no charge, at least one copy of the agenda for its public meetings, any proposed Resolution which will be discussed at the public meeting, and any other supporting materials provided to the Board for an item on the agenda, except for certain confidential materials and materials pertaining to closed meetings, as provided by law.

9. A copy of the notice so given of the meeting of the Board held on September 4, 2018 is attached to this certificate as Exhibit A.

IN WITNESS WHEREOF, I have hereunto set my hand on September 4, 2018.

County Clerk

EXHIBIT A

(Attach copy of posted notice)

EXHIBIT B

(Attach list of parcels, legal description and map of District)



Storey County Board of County Commissioners Agenda Action Report

Meeting date: Oct 2, 2018

Estimate of time required: 30 min

Agenda: Consent [] Regular agenda [X] Public hearing required []

1. **Title:** DISCUSSION/POSSIBLE ACTION: Approval of Resolution 18-511 directing the engineer on behalf of Storey County, Nevada to prepare and file with the County Clerk **full and detailed plans, cost estimates** and an assessment plat in connection with a proposed water project in Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center).

2. **Recommended motion** I, (Commissioner), move for approval of Resolution 18-511 directing the engineer on behalf of Storey County, Nevada to prepare and file with the County Clerk **full and detailed plans, cost estimates** and an assessment plat in connection with a proposed water project in Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center).

3. **Prepared by:** Pat Whitten

Department: Commissioner's Office

Telephone: 847-0968

4. **Staff summary:** As presented noting "full and detailed plans and cost estimates" versus "preliminary plans" as the difference in Resolution 18-510 and 18-511

5. **Supporting materials:** Draft Resolution 18-511

6. **Fiscal impact:**

Funds Available:

Fund:

____ Comptroller

7. **Legal review required:** n/a

____ District Attorney

8. **Reviewed by:**

____ Department Head

Department Name: Commissioners

____ County Manager

Other agency review:

9. **Board action:**

☐ Approved
☐ Denied

☐ Approved with Modifications
☐ Continued

Agenda Item 18

Summary – A resolution directing the Engineer to prepare full and detailed plans, cost estimates and an assessment plat for Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center).

RESOLUTION NO. 18-511
(of Storey County, Nevada)

A RESOLUTION DIRECTING THE ENGINEER ON BEHALF OF STOREY COUNTY, NEVADA TO PREPARE AND FILE WITH THE COUNTY CLERK FULL AND DETAILED PLANS, COST ESTIMATES AND AN ASSESSMENT PLAT IN CONNECTION WITH A PROPOSED WATER PROJECT IN STOREY COUNTY SPECIAL ASSESSMENT DISTRICT NO. 01 (TAHOE-RENO INDUSTRIAL CENTER).

WHEREAS, the Board of County Commissioners (the "Board") of Storey County (the "County") in the State of Nevada, pursuant to the County's Developer Special Assessment District Guidelines, has received a petition in the form of an Economic Development Financing Proposal (the "Petition") from the owners of certain property located in the County requesting the formation of a Special Assessment District (the "District"); and

WHEREAS, the Petition requests the formation of the District and the acquisition and improvement of a water project (the "Project") pursuant to Nevada Revised Statutes Chapter 271; and

WHEREAS, NRS 271.325 requires an accurate estimate of cost, full and detailed plans and specifications and a map to be prepared and presented to the Board prior to the creation of the District; and

WHEREAS, the Board hereby determines that the materials required by NRS 271.325 should be prepared and herein directs the County Engineer, together with Farr West Engineering (collectively, the "Engineer"), to cause such materials to be prepared and placed on file with the County Clerk.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF STOREY, IN THE STATE OF NEVADA:

Section 1. The Board has determined, and does hereby determine, that it is advisable to acquire and improve the Project.

Section 2. The Engineer is requested and directed to prepare, or cause to be prepared, in the manner required by law and to place on file with the County Clerk:

(i) An accurate estimate of the total cost of the Project, including each of the incidental expenses;

(ii) Full and detailed plans and specifications for the Project with construction drawings, showing a typical section of the contemplated improvements for the District; and

(iii) A map and assessment plat showing the location of each portion of the Project and the property to be assessed.

Section 3. All action, proceedings and matters previously taken, had and done by the County and the officers of the County (not inconsistent with the provisions of this resolution), concerning the District and the Project be, and the same hereby are, ratified, approved and confirmed.

Section 4. The officers of the County be, and they hereby are, authorized and directed to take all action necessary to effectuate the provisions of this resolution.

Section 5. All bylaws, orders and resolutions, or parts thereof, in conflict with the provisions of this resolution, are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order or resolution, or part thereof, previously repealed.

Section 6. If any section, paragraph, clause or provision of this resolution shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this resolution.

Section 7. The Board has determined and does hereby declare that this resolution shall be in effect upon its passage in accordance with law.

PASSED AND APPROVED THIS SEPTEMBER 4, 2018.

[SEAL]

Attest:

Chairman
Board of County Commissioners
Storey County, Nevada

County Clerk

STATE OF NEVADA)
) ss.
COUNTY OF STOREY)

I am the duly appointed, qualified and acting County Clerk of Storey County (the "County"), Nevada, and in the performance of my duties as County Clerk and ex officio Clerk of its Board of County Commissioners (the "Board"), do hereby certify:

1. The foregoing pages are a true and correct copy of a resolution adopted at a regular meeting of the Board held on September 4, 2018.

2. The adoption of the Resolution was duly moved and seconded and the Resolution was adopted by an affirmative vote of a majority of the members of the Board as follows:

Those Voting Aye:

Those Voting Nay:

Those Absent:

Those Abstaining:

3. The members of the Board were present at such meeting and voted on the passage of such Resolution as set forth above.

4. The resolution was approved and authenticated by the signature of the Chairman of the Board, sealed with the County seal, attested by the Clerk and recorded in the minutes of the Board.

5. All members of the Board were given due and proper notice of the meeting. Public notice of the meeting was given and the meeting was held and conducted in full compliance with the provisions of NRS 241.020. A copy of the notice of meeting was posted not later than 9:00 a.m. at least 3 working days in advance of the meeting at:

- (i) Virginia City Post Office
- (ii) Storey County Courthouse
- (iii) Virginia City Fire Station
- (iv) Virginia City Highlands Fire Station
- (v) Lockwood Fire Station

6. A copy of the notice was posted on the County's website and on the State of Nevada's official website no later than 9:00 a.m. on the third working day prior to the meeting.

7. A copy of the notice was given to each person, if any, who has requested notice of the meetings of the Board in the same manner in which notice is required to be given to a member of the Board. Such notice, if mailed, was delivered to the postal service no later than 9:00 a.m. on the third working day prior to the meeting.

8. Upon request, the Board provides at no charge, at least one copy of the agenda for its public meetings, any proposed Resolution which will be discussed at the public meeting, and any other supporting materials provided to the Board for an item on the agenda, except for certain confidential materials and materials pertaining to closed meetings, as provided by law.

9. A copy of the notice so given of the meeting of the Board held on September 4, 2018 is attached to this certificate as Exhibit A.

IN WITNESS WHEREOF, I have hereunto set my hand on September 4, 2018.

County Clerk

EXHIBIT A

(Attach copy of posted notice)



Storey County Board of County Commissioners

Agenda Action Report

Meeting date:

Estimate of time required: 15 minutes

Agenda: Consent [] Regular agenda [X] Public hearing required []

1. **Title:** Consideration and possible approval of Resolution 18 – 512 which approves the form of the financing agreement by which the County will finance the construction of the off-site portion of the effluent pipeline extending from the Truckee Meadows Water Reclamation Facility to the Tahoe Reno Industrial Center by the issuance of bonds which bonds will be repaid from assessments on the persons and entities owning parcels of real property within the proposed Special Assessment District No. 01 (Tahoe Reno Industrial Center).
2. **Recommended motion:** I _____ (Commissioner) move to approve the resolution approving the form of the Financing Agreement for the construction of the effluent pipeline and authorize the Chairman to sign.
3. **Prepared by:** Keith Loomis
4. **Department:** District Attorney's Office **Telephone:** 847-0964
5. **Staff summary:** Resolution 18 – 512 is a resolution which approves the form of the Financing Agreement providing for the construction of the off-site portion of the effluent pipeline. The Financing Agreement is between Storey County, the TRIGID and entities owning parcels of real property in the proposed Special Assessment District 01 (Tahoe Reno Industrial Center)(hereafter District) and the Tahoe Reno industrial Center LLC. The agreement provides that TRIGID will construct an effluent pipeline which will be financed by the proceeds of bonds issued by Storey County. The bonds will be repaid by assessments on the owners of parcels of real property located within the District. The Financing Agreement addresses the details of these processes.
6. **Supporting materials:** Resolution 18-512 and the District Financing District
7. **Fiscal impact:**
Funds Available: _____ Fund: _____ Comptroller

8. **Legal review required:**

 X District Attorney

8. **Reviewed by:**

 Department Head
 County Manager

Department Name:
Other agency review: _____

9. **Board action:**

☐ Approved
☐ Denied

☐ Approved with Modifications
☐ Continued

Agenda Item No. 19

Summary – A resolution approving the proposed form of the Financing Agreement among the County, TRI General Improvement District and all owners of assessable property in Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center).

RESOLUTION NO. 18-512
(of Storey County, Nevada)

**A RESOLUTION APPROVING THE FORM OF THE
FINANCING AGREEMENT AMONG THE COUNTY, TRI
GENERAL IMPROVEMENT DISTRICT AND ALL
OWNERS OF ASSESSABLE PROPERTY IN STOREY
COUNTY SPECIAL ASSESSMENT DISTRICT NO. 01
(TAHOE-RENO INDUSTRIAL CENTER).**

WHEREAS, the Board of County Commissioners (the "Board") of the County of Storey (the "County"), in the State of Nevada, and the County Manager, have, pursuant to the County's Developer Special Assessment District Guidelines, received an application and petition in the form of the Economic Development Financing Plan (the "Petition") from Eagle Valley Acquisition LLC, TRIC Acquisition, LLC, Silver Slate LLC, Comstock TRIC Associates, LLC, Supernap Reno, LLC, Tahoe-Reno Industrial Center, LLC, Tesla, Inc., 1200 USA Pkwy, and Emerald City Empire, LLC (collectively, the "Owners") for the formation of a Special Assessment District (the "District"); and

WHEREAS, the Petition requests the formation of the District and the acquisition and improvement of a water project (collectively, the "Project") pursuant to NRS Chapter 271 and all laws amendatory thereof and supplemental thereto (the "Act"); and

WHEREAS, the Petition requests the County to initiate the acquisition and improvement of the Project, to issue bonds, to levy assessments and to proceed with certain actions required by the Act; and

WHEREAS, the proposed form of the District Financing Agreement among the County, TRI General Improvement District and the Owners (the "Financing Agreement") is on file with the County Clerk; and

WHEREAS, the Board has reviewed the proposed form of the Financing Agreement on file with the County Clerk and has found such Agreement to be satisfactory.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF STOREY, IN THE STATE OF NEVADA:

Section 1. The form, terms and provisions of the Financing Agreement are hereby approved in substantially the form thereof on file with the County Clerk, with only such changes therein as are not inconsistent herewith and are approved by the officers of the County executing the same. The officers of the County are hereby authorized to enter into, execute and deliver the Financing Agreement and the execution and delivery of the same shall constitute conclusive evidence of the County's approval thereof in accordance with the terms hereof.

Section 2. The officers of the County be, and they hereby are, authorized to take all action necessary to effectuate the provisions of this resolution.

Section 3. All actions, proceedings and matters previously taken, had and done by the County and the officers of the County (not inconsistent with the provisions of this resolution) concerning the District and the Project hereby are, ratified, approved and confirmed. This resolution does not obligate the County to enter into the Financing Agreement or to apply bond proceeds to any cost except as provided in the Financing Agreement.

Section 4. All bylaws, orders and resolutions, or parts thereof, in conflict with this resolution, are repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, or resolution, or part thereof, previously repealed.

Section 5. If any section, paragraph, clause or provision of this resolution shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this resolution.

Section 6. The Board has determined and does hereby declare that this resolution shall be in effect upon its passage in accordance with law.

PASSED AND APPROVED THIS OCTOBER 2, 2018.

[SEAL]

Attest:

Chairman
Board of County Commissioners
Storey County, Nevada

County Clerk

STATE OF NEVADA)
) ss.
COUNTY OF STOREY)

I am the duly appointed, qualified and acting County Clerk of Storey County (the "County"), Nevada, and in the performance of my duties as County Clerk and ex officio Clerk of its Board of County Commissioners (the "Board"), do hereby certify:

1. The foregoing pages are a true and correct copy of a resolution adopted at a regular meeting of the Board held on October 2, 2018.

2. The adoption of the Resolution was duly moved and seconded and the Resolution was adopted by an affirmative vote of a majority of the members of the Board as follows:

Those Voting Aye:

Those Voting Nay:

Those Absent:

Those Abstaining:

3. The members of the Board were present at such meeting and voted on the passage of such Resolution as set forth above.

4. The resolution was approved and authenticated by the signature of the Chairman of the Board, sealed with the County seal, attested by the Clerk and recorded in the minutes of the Board.

5. All members of the Board were given due and proper notice of the meeting. Public notice of the meeting was given and the meeting was held and conducted in full compliance with the provisions of NRS 241.020. A copy of the notice of meeting was posted not later than 9:00 a.m. at least 3 working days in advance of the meeting at:

- (i) Virginia City Post Office
- (ii) Storey County Courthouse
- (iii) Virginia City Fire Station
- (iv) Virginia City Highlands Fire Station
- (v) Lockwood Fire Station

6. A copy of the notice was posted on the County's website and on the State of Nevada's official website no later than 9:00 a.m. on the third working day prior to the meeting.

7. A copy of the notice was given to each person, if any, who has requested notice of the meetings of the Board in the same manner in which notice is required to be given to a member of the Board. Such notice, if mailed, was delivered to the postal service no later than 9:00 a.m. on the third working day prior to the meeting.

8. Upon request, the Board provides at no charge, at least one copy of the agenda for its public meetings, any proposed Resolution which will be discussed at the public meeting, and any other supporting materials provided to the Board for an item on the agenda, except for certain confidential materials and materials pertaining to closed meetings, as provided by law.

9. A copy of the notice so given of the meeting of the Board held on October 2, 2018 is attached to this certificate as Exhibit A.

IN WITNESS WHEREOF, I have hereunto set my hand on October 2, 2018.

County Clerk

EXHIBIT A

(Attach copy of posted notice)

When Recorded, Return To:

Kendra S. Follett
Sherman & Howard L.L.C.
50 West Liberty Street, Suite 1000
Reno, NV 89501

Recorder Affirmation Statement: The undersigned hereby affirms that this document, including any exhibit, hereby submitted for recording does not contain the social security number of any person or persons (per NRS 239B.030)(2)).

(Space above this line for Recorders Use)

DISTRICT FINANCING AGREEMENT
AMONG
THE COUNTY OF STOREY
AND
TRI GENERAL IMPROVEMENT DISTRICT
AND
SUPERNAP RENO, LLC
TAHOE-RENO INDUSTRIAL CENTER, LLC
SILVER SLATE LLC
TESLA, INC.
EAGLE VALLEY ACQUISITION LLC
TRIC ACQUISITION, LLC
1200 USA PKWY LLC
EMERALD CITY EMPIRE, LLC
COMSTOCK TRIC ASSOCIATES, LLC

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This District Financing Agreement (the "Agreement"), dated as of _____, 2018, is among **THE COUNTY OF STOREY** (the "County"), a political subdivision of the State of Nevada (the "State"); and **TRI GENERAL IMPROVEMENT DISTRICT** ("TRIGID"), a political subdivision of the State of Nevada; and **SUPERNAP RENO, LLC**, a Nevada limited liability company, **TAHOE-RENO INDUSTRIAL CENTER, LLC**, a Nevada limited liability company, **SILVER SLATE LLC**, a Delaware limited liability company, **TESLA, INC.** (fka Tesla Motors, Inc.), a Delaware corporation, **EAGLE VALLEY ACQUISITION LLC**, a Nevada limited liability company, **TRIC ACQUISITION, LLC**, a Nevada limited liability company, **1200 USA PKWY LLC**, a Nevada limited liability company, **EMERALD CITY EMPIRE, LLC**, a Nevada limited liability company, and **COMSTOCK TRIC ASSOCIATES, LLC**, a Nevada limited liability company (each a "Developer" and collectively, the "Developers").

WITNESSETH:

WHEREAS, pursuant to Nevada Revised Statutes ("NRS") 271.710, the Board of County Commissioners of the County (the "Board") may enter into written agreements with the owners of all assessable property within a proposed special assessment or improvement district containing the provisions stated herein; and

WHEREAS, each Developer except Master Developer (as herein defined) represents and warrants as to the property it owns that: (i) it is the legal owner of certain property ("Developer Property") to be assessed within the proposed Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center) (the "District") and identified on Exhibit A-1 hereto; (ii) a true and correct legal description of the Developer Property is attached hereto as Exhibit A-1; and (iii) there are no liens or encumbrances on the Developer Property except as referenced on Exhibit B attached hereto; and

WHEREAS, the Developers have signed consents for the levy and collection of assessments in the District and requested the County to form the District in accordance with the County's Developer Special Assessment District Guidelines; and

WHEREAS, TRIGID proposes to construct certain public improvements for the benefit of the District, including certain governmentally-owned water utility improvements listed in Exhibit C (the "Project"), in accordance with the terms and provisions hereof; and

WHEREAS, the Project required to be constructed and acquired for the benefit of the District is designated in Exhibit C attached hereto (except to the extent the construction thereof is excused by the Engineer under the circumstances described herein); and

WHEREAS, certain real property, including easements and rights of way, which real property is shown in Appendix 1 of Exhibit C attached hereto, is required for the Project (the "Project Property"); and

WHEREAS, each Developer agrees that the County may create the District, levy the assessments, and for all other purposes relating to the District proceed pursuant to the provisions of NRS 271.710 through 271.730; and

WHEREAS, at the request of the Developers, the County proposes to issue its local improvement bond (the "County bond") pursuant to chapter 271 of NRS (the "Act") to the State municipal bond bank and the State proposes to issue its general obligation bonds (the "State Bonds" and together with the County Bond, the "Bonds") to finance the Project.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS AND CONDITIONS CONTAINED HEREIN, THE PARTIES HERETO AGREE AS FOLLOWS:

ARTICLE 1.

DEFINITIONS. In addition to the terms parenthetically defined throughout this Agreement, the following terms, except where the context indicates otherwise, shall have the respective meanings set forth below.

"Agreement" means this District Financing Agreement among the County, TRIGID and the Developers, as supplemented or amended from time to time in accordance with its terms.

"Applicable Government" means the County, the City of Reno, the City of Sparks, or TRIGID, as applicable.

"Assignment of Beneficial Interest in Water Rights" means the Assignment of Beneficial Interest in Water Rights by a Developer, with the approval of TRI General Improvement

District, appurtenant to each parcel in the District assigning a beneficial interest in water rights to each parcel in the District.

"Audit Book Checklist" means the checklist set forth in Exhibit K, as the same may be amended from time to time by the County.

"Board" means the Board of County Commissioners of the County.

"Certificate of Acknowledgement" means a certificate in the form set forth in Exhibit L-1 (progress payment) or L-2 (final payment), as applicable.

"County" means Storey County, Nevada.

"County Clerk" means the Clerk of the County.

"County Documents" means the resolutions, ordinances and certificates of the County and the Board listed on Exhibit F attached hereto.

"Developers" means, collectively, Eagle Valley Acquisition LLC, TRIC Acquisition, LLC, Silver Slate LLC, Supernap Reno, LLC, Tahoe-Reno Industrial Center, LLC, Tesla, Inc., 1200 USA Pkwy LLC, Emerald City Empire, LLC, and Comstock TRIC Associates, LLC, together with their respective permitted successors and assigns.

"Developer's Prorated Share" means the percentage of total Bond principal for which each Developer is responsible, to wit:

<u>Developer</u>	<u>Percentage</u>	<u>Apportionment of Project Cost</u>
Supernap Reno, LLC	50.00%	\$17,500,000.00
Silver Slate LLC	18.74%	\$ 6,559,220.39
Tesla, Inc.	11.99%	\$ 4,197,901.05
Eagle Valley Acquisition LLC	7.78%	\$ 2,721,849.83
TRIC Acquisition, LLC	5.71%	\$ 2,000,788.85
Emerald City Empire, LLC	2.83%	\$ 990,818.70
1200 USA Pkwy LLC	0.99%	\$ 347,262.26
Comstock TRIC Associates, LLC	1.50%	\$ 524,737.63
Tahoe-Reno Industrial Center, LLC	0.45% (payable in cash)	\$ 157,421.29
	100.00%	\$35,000,000.00

"District" means the Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center).

"Engineer" means a representative of Farr West Engineering.

"Guaranty Bond" means a bond issued by a surety company acceptable to the County in the amount required by Section 2.1.F. hereof: (i) insuring, warranting, and guaranteeing that the Project or any portion thereof, once completed, has been constructed in accordance with the final plans and specifications with respect thereto; and (ii) insuring, warranting, and guaranteeing the repair and replacement of the Project or any portion thereof, together with any adjacent work that may be damaged in so doing, for the duration of the warranty period required by Section 2.1.F. hereof or otherwise.

"Guidelines" means the County's Developer Special Assessment District Guidelines.

"Master Developer" means Tahoe-Reno Industrial Center, LLC.

"TRIGID" means the TRI General Improvement District, a political subdivision of the State of Nevada.

ARTICLE 2. CONSTRUCTION.

2.1 **Description of Tasks.**

A. **Plans and Engineering.**

1. Full and detailed plans and specifications (i.e., plans and specifications in detail satisfactory to the Engineer) for the Project shall be prepared by the Engineer and filed with the County Clerk prior to the Board's adoption of the ordinance creating the District. Final plans and specifications for the Project shall be reviewed and approved by the Engineer, on behalf of the County. Such final plans and specifications may be modified from time to time upon request of TRIGID with the written consent of the Engineer and the County. Any such review or approval by the County or another Applicable Government shall not limit any rights or claims the County or another Applicable Government may have against TRIGID or any other person relating to such plans and specifications, including, without limitation, rights or claims pertaining to defective or negligent design.

2. Upon the adoption by the Board of the ordinance creating the District, TRIGID and the Master Developer shall perform all other pre-construction activities needed in order to commence construction of the Project, including, without limitation and where necessary or when otherwise required by the County, causing the preparation and delivery to the County of any environmental reports or assessments, drainage studies, surveys, geotechnical studies, absorption studies, title reports, and other preliminary reports, and obtaining and delivering copies to the County of any required permits, licenses or other governmental or utility approvals. All such materials shall be submitted to, and reviewed and approved by, the County.

3. TRIGID may contract for the engineering services of one or more Nevada Registered Professional Civil Engineers, as selected or approved by the County in its sole discretion in accordance with the NRS, to, without limitation: (i) prepare the engineering design for the Project pursuant to Section 2.1.A.1. hereof; (ii) provide assessment engineering services relating to the Project; (iii) provide inspection services relating to the Project; (iv) assist TRIGID and the County in verifying the receipt of proper documentation for all payment requests; and (v) assist the County in verifying the proper amount to pay TRIGID in connection with each payment request.

4. Master Developer agrees that it shall be responsible, jointly and severally, for the payment of all costs described in Sections 2.1.A.1., 2.1.A.2., and 2.1.A.3. hereof that are incurred or become due and payable prior to the time any Bonds are issued, subject to obtaining reimbursement for such costs as described herein if any Bonds for the District are issued.

B. Construction.

1. The Project shall consist of each public improvement designated in Exhibit C attached hereto. TRIGID agrees to construct the Project in accordance with the final plans and specifications required by Section 2.1.A.1. hereof, as the same may be modified from time to time with the written consent of the Engineer and the County, and in accordance with Section 2.1.G. hereof, as the same may be modified from time to time. TRIGID shall complete construction of the Project described in Exhibit C attached hereto upon the earliest of the following dates: (i) the completion date for the Project required in any permit issued by any governmental agency (including the County) to TRIGID, taking into account any extension of time for completion granted by the permitting agency; or (ii) the completion date for the Project set forth in Exhibit C, as the same may be extended upon the reasonable discretion of the Engineer.

2. If, and only if, additional proceeds of the Bond remain after a Certificate of Acknowledgement has been executed with respect to the Project described in Exhibit C attached hereto (eliminating therefrom any portion of the Project that has been excused from construction with the consent of the Engineer and the County upon a determination by the Engineer that any portion of the Project is no longer needed), TRIGID may, in accordance with Section 2.1.M.2. hereof apply such amounts to cost overruns pursuant to Section 2.1.L with the consent of the County and the Engineer. For the avoidance of doubt, nothing in this Section 2.1.B.2. requires TRIGID to wait until the entire Project described in Exhibit C attached hereto has been constructed (or excused from construction) before applying such amounts to cost overruns with the consent of the County and the Engineer. The purpose of this Section 2.1.B.2 is simply to describe the circumstances under which TRIGID may, with the consent of the County and the Engineer, apply cost underruns to cost overruns.

4. All contractors and subcontractors selected for any portion of the Project must be licensed and bonded as required by State licensing laws.

C. **Transfer of Title to Project Property (Real Property).**

1. Upon request of the Engineer but, in any event, prior to the County's last progress payment of the cost of the Project, if ownership of any portion of the Project is not retained by TRIGID, TRIGID shall transfer to the Applicable Government, via the recording of a map or other appropriate real property instrument, fee simple title to, or easements or rights of way, as required by and acceptable to the County, with respect to a portion of the Project not owned by TRIGID. Such requirement shall not apply to those portions of the Project Property: (i) which are already owned in fee simple by the Applicable Government; (ii) for which the Applicable Government already has the necessary easements and/or rights of way and does not, in its sole discretion, desire or require a fee simple interest; or (iii) for which the Applicable Government has obtained a right of occupancy pursuant to an action for condemnation filed in District Court.

2. Unless expressly waived by the County, prior to the County's first progress payment of the cost of the Project, TRIGID shall provide to the County a preliminary title report or pro forma title policy (the "Title Report") relating to the Project Property or the related easements transferred or granted to TRIGID. In the event the County objects to any encumbrance related to such portion of the Project Property or related easements shown on the Title Report TRIGID shall cure such objection to the satisfaction of the County, and, in any event, the County shall be under no obligation to pay for any portion of the Project associated with such Project Property until TRIGID has cured such objection to the satisfaction of the County.

4. TRIGID warrants that the property interest shall be conveyed and that said property interest shall not be subject to any easement, mortgage, security interest, mechanics' or materialmen's lien or any other encumbrance, except as is approved by the County and shown on any related Title Report.

5. The County shall remit final progress payments within thirty (30) days of conveyance pursuant to Sections 2.1.C.1 and 2.1.C.2.

D. **Transfer of Title to Project (Public Improvements).**

1. Prior to the County's last progress payment for the cost of the Project, TRIGID shall: (i) for any portion of the Project the ownership of which is not retained by TRIGID, deliver a bill of sale or other appropriate transfer document conveying title to all public

improvements comprising the Project to, where applicable, an Applicable Government with a copy to the County; and (ii) provide to the Applicable Government complete and legally effective releases or waivers (satisfactory to the Applicable Government) of mechanics', materialmen's, or other liens arising out of or filed (or which could arise out of or be filed) in connection with the public improvements comprising the Project not owned by TRIGID and if ownership is retained by TRIGID for a portion of the Project, provide evidence to the County of complete and legally effective releases or waivers (satisfactory to the County) of mechanics', materialmen's, or other liens arising out of or filed (or which could arise out of or be filed) in connection with the public improvements comprising the Project owned by TRIGID. If any subcontractor or supplier fails to furnish such a release in full, TRIGID may furnish a bond or other collateral satisfactory to the County and the Applicable Government to indemnify and defend the County and the Applicable Government against any lien, and the County may, at the County's sole discretion, make payment of up to 90% of the amount otherwise due with respect to that portion of the Project represented by the applicable progress payment pursuant to Section 2.1.J. hereof and retain a minimum of 10% of the amount otherwise due with respect to that progress payment pursuant to Section 2.1.J. hereof until all potential liens have lapsed without filing, written waiver has been obtained therefor, or such liens have otherwise been removed from the property.

2. TRIGID warrants at the time of its conveyance of title to the public improvements comprising any portion of the Project not owned by TRIGID to an Applicable Government that TRIGID has title sufficient to convey such public improvements and that each such public improvement is not subject to any easement, mortgage, security interest, mechanics' or materialmen's lien or any other encumbrance. TRIGID agrees to indemnify and defend the title to any public improvement comprising a portion of the Project against any claim or encumbrance whatsoever arising by or through TRIGID which is caused or created by TRIGID, including any mechanics' or materialmen's liens asserted in connection with the construction of the Project. The obligations of TRIGID in this Section 2.1.D.2 shall survive the termination of this Agreement.

E. **Acknowledgement of Payments.** The County shall make progress payments for the costs of the Project based on applications for payment submitted by TRIGID to the County on forms approved by County. The County shall not be required to pay for any portion of the

Project represented by such progress payment request unless the Project: (i) has been constructed in strict accordance with the plans and specifications approved pursuant to Section 2.1.A.1. hereof, as the same may be modified from time to time with the written consent of the Engineer and the County, and as otherwise required by this Agreement, including, but not limited to, Section 2.1.B.1. hereof, as applicable, and Section 2.1.G. hereof; (ii) all items set forth in the Audit Book Checklist relating to such progress payment for such portion of the Project have been delivered to the County or its agents; (iii) a Certificate of Acknowledgement, signed by both TRIGID and the County after all requirements of the following paragraph have been met, has been received by the County; and, (iv) a Guaranty Bond for the Project has been delivered to the County.

TRIGID and, where applicable, any other Applicable Government, shall inspect the portion of the Project represented by the progress payment and if TRIGID and, where applicable, such other Applicable Government, in its or their sole discretion, determine(s) the portion of the Project to have been constructed in strict accordance with all related plans and specifications, as the same may be modified from time to time with the written consent of the Engineer, and the County determines in its sole discretion that all requirements of Section 2.1.A.1., Section 2.1.B.1., Section 2.1.C., Section 2.1.D, Section 2.1.G., Section 2.1.H., Section 2.1.I., and Section 2.1.L. hereof and any other applicable terms of this Agreement have been met or waived, the County shall deliver a Certificate of Acknowledgement formally acknowledging the progress payment for such portion of the Project for payment. The progress payment for such portion of the Project shall thereafter be made by the County in accordance with Section 2.1.J. hereof upon TRIGID's execution of such Certificate of Acknowledgement and the delivery of the same to the County.

F. **Warranty of Workmanship and Materials.** Beginning on the date the County and TRIGID execute a Certificate of Acknowledgement with respect to a portion of the Project represented by a progress payment request (herein, a "Date of Acknowledgement"), TRIGID shall warrant to the County and the Applicable Government that the portion of the Project has been constructed in accordance with the plans and specifications set forth in Section 2.1.A.1. hereof, as the same may be modified from time to time with the written consent of the Engineer, and in accordance with Section 2.1.G. hereof, as the same may be modified from time to time. TRIGID agrees to remedy any defects in any portion of the Project represented by such progress

payment and to pay for any damage to other work resulting therefrom that appears within one year of the Date of Acknowledgement applicable to such portion of the Project or such longer period as is required by any rules or regulations of an Applicable Government, if an Applicable Government is accepting title to a portion of the Project improvements. To secure TRIGID's obligations under this Section 2.1.F., upon request of the County, TRIGID shall deliver a Guaranty Bond to the County for the Project in a form acceptable to the County no later than the Date of Acknowledgement applicable to any portion of the Project for which a progress payment has been requested. For each progress payment request, the Guaranty Bond shall be in an amount equal to 10% of each progress payment made by the County

To illustrate the operation of the preceding paragraph (as it relates to determining the applicable Date of Acknowledgement), the Date of Acknowledgement shall be the date when a Certificate of Acknowledgement is delivered with respect to the Project.

In addition to the one year warranty for defects, TRIGID agrees to be responsible for and continue to maintain any the Project until all of the following have occurred: (i) all of the Bonds have been paid in full; or (ii) the Project has been transferred to the appropriate Applicable Government.

G. **Work Specifications.** In addition to the plans and specifications described in Section 2.1.A.1. hereof, the construction work performed pursuant to this Agreement is subject to the following additional specifications:

1. the current edition of the Uniform Standard Specifications for Public Works' Construction Off-Site Improvements, Storey County Area, Nevada (the "Standard Specifications"), and the Uniform Standard Drawings for Public Works' Construction, Storey County Area, Nevada (the "Standard Drawings"); and

2. permits issued to TRIGID by the County or any other governmental entity with respect to the Project.

H. **Compliance with Law.** Pursuant to NRS 271.710(1), the Board need not comply with the provisions of any law requiring public bidding or otherwise imposing requirements on public contracts, projects, works or improvements, including, without limitation, chapters 332, 338 and 339 of the NRS except that NRS 338.010 to 338.090, inclusive, shall apply to any construction work to be performed under any contract relating to the District. TRIGID agrees to attach a copy of the prevailing wage act for public works in

effect on the date of execution of any contract entered into with a subcontractor with respect to the construction of all or any portion of the Project to its contract with such subcontractor. TRIGID is responsible for providing the State Labor Commission with all information required by NRS 338.010 to 338.090, and otherwise responsible for all compliance requirements of those provisions of the NRS. For the avoidance of the doubt, this provision prohibits the County from using Bond proceeds to pay for any portion of the Project if any portion of the Project was not constructed in accordance with NRS 338.010 to 338.090.

I. **Cost Estimates; Bonds.** At the time of commencement of construction of any portion of the Project, TRIGID shall furnish the County with an updated estimate of the cost of constructing such portion of the Project, in form and substance satisfactory to the County. If the updated estimated cost of that portion exceeds the lesser of (i) the price of that portion as shown in Exhibit C plus any allocation of Bond proceeds available therefor because of a cost underrun on another portion of the Project or (ii) the amount of the proceeds of the Bond available to pay the cost of that completed portion of the Project, as determined by the County in its sole discretion after taking into account any allocation of Bond proceeds to other portion of the Project and other costs, then each Developer shall furnish to the County a payment in the amount of its Developer's Prorated Share for the updated estimate of the cost of construction such portion of the Project.

J. **Payments for Construction Project.** Subject to the second paragraph of this Section 2.1.J. below, the County shall, for each portion of the Project represented by a request for a progress payment, pay to TRIGID 90% of the least of (i) the reasonable actual costs of constructing the Project, as solely determined by the County, (ii) the purchase price for such portion of the Project set forth in Exhibit C (plus any additional proceeds available to be applied thereto pursuant to Section 2.1.M. hereof, in the County's sole discretion), or (iii) the amount of Bond proceeds available to pay the cost of the Project, as solely determined by the County after taking into account any allocation of Bond proceeds to other portions of the Project and other costs, at the time a fully executed Certificate of Acknowledgement is delivered by TRIGID pursuant to Section 2.1.E. hereof, provided that the County shall be obligated to pay such amount solely from the available proceeds of the Bonds to be hereafter issued by the County and the State, if any. Notwithstanding the foregoing, if the reasonable actual cost of a portion of the Project represented by the progress payment as approved by the County exceeds the

purchase price therefor listed in Exhibit C, the County shall pay such difference only if Bond proceeds and interest earned thereon are available to pay such excess because TRIGID's Incidental Expenses (defined below) or the County's Incidental Expenses are less than the aggregate amount stated in Section 2.3. hereof, or the amount paid for another portion of the Project for which a Certificate of Acknowledgement has already been fully executed and delivered to TRIGID is less than the purchase price stated for such portion of the Project in Exhibit C.

The remaining 10% of each progress payment made by the County shall be paid upon final completion of the Project.

K. **Default in Construction Obligations of TRIGID.** In the event TRIGID does not build the Project in accordance with the approved plans and specifications therefor delivered pursuant to Section 2.1.A. hereof, as the same may be modified from time to time with the written consent of the Engineer, or fails to complete any portion of the Project within the timeframe required by Section 2.1.B.1. hereof, as applicable, and is therefore in default and breach of this Agreement, the County may, at its option, proceed to build, complete, or rebuild as necessary the Project so that when completed that Project will be constructed in accordance with the approved plans and specifications. Under such circumstances, and to the extent not otherwise previously accomplished pursuant to Section 2.1.C. hereof, TRIGID agrees to promptly transfer to the County, upon demand of the County, any Project Property related to the Project. The County may apply the proceeds of the Bonds and amounts derived from any payment or Guaranty Bond applicable to the Project to the costs of such building, completing or rebuilding. If these amounts are insufficient, the County shall make demand on the Developers to pay the amount of the insufficiency to the extent of each Developer's Prorated Share and the Developers shall immediately within 30 days of prior notice of such insufficiency, pay the County the amount of the insufficiency to the extent of each Developer's Prorated Share.

L. **Cost Overruns.** Each Developer is responsible to the extent of that Developer's Prorated Share for the payment of, and agree to pay, all costs of constructing the Project or any portion thereof which exceeds the amount available for that purpose from the proceeds of Bonds. When the sum of the amounts previously paid to TRIGID pursuant to Section 2.1.J. and 2.4 hereof, together with the amounts requested to be paid to TRIGID pursuant to Section 2.1.J. and 2.4 hereof, equals or exceeds ninety percent (90%) of the original principal amount of the

Bond, the Developers shall immediately furnish the County within 10 business days of notice cash in an amount equal to the amount of the excess of the estimated costs of constructing the portion of the Project over the amount of Bond proceeds available for such purpose. Any payment obtained pursuant to this Section 2.1.L. shall be retained by County until a Certificate of Acknowledgement has been delivered with respect to the entire Project. After a Certificate of Acknowledgement has been delivered with respect to the entire Project, any excess funds held by the County from cash furnished to the County by the Developers pursuant to this section and not needed for the Project shall be returned to each Developer to the extent of that Developer's Prorated Share.

M. **Cost Underruns.**

1. If (i) a Certificate of Acknowledgement has been executed and delivered to TRIGID with respect to any portion of the Project, (ii) the County has paid TRIGID the actual costs of constructing the portion of the Project, and (iii) the payments made pursuant to clause (ii) were less than the purchase price listed for such portion of the Project in Exhibit C, the County must, at the request of TRIGID, allocate such unexpended proceeds to another portion of the Project in Exhibit C.

2. If the Project described in Exhibit C attached hereto has either (i) been completed and accepted, or (ii) been excused from construction with the consent of the Engineer upon a determination by the Engineer that such public improvements are no longer needed, and there remain unexpended proceeds of the Bond (including interest earned on such proceeds) which were to be used for expenses in connection with the Project, and such proceeds are not needed for assessment or Bond related purposes (including cost overruns on non-construction costs described in Section 2.3), then all or any portion of such excess proceeds of the Bond shall be used to redeem the Bond or pay debt service on the Bond, as determined by the County in the County's sole discretion and each assessed parcel in the District shall receive a pro rata credit against its assessment, as determined by the County in the County's sole discretion, with an appropriate cash payment, only to the extent cash is available therefor as determined by the County in the County's sole discretion, to the owner of any assessed parcel whose assessment has been paid in full.

2.2 **Oversizing.**

A. **Water Line Oversizing.** The County shall not pay for any oversizing of the

Project under any existing or future agreements between the TRIGID and the Developers or otherwise, and TRIGID agrees not to include any such oversizing in its cost estimates or final costs for any portion of the Project.

2.3. **Incidental Expenses.** TRIGID and the County shall be entitled to be reimbursed for their incidental expenses (the "Incidental Expenses") as follows:

A. **Master Developer Incidental Expenses.** Master Developer shall be entitled to be reimbursed from Bond proceeds for costs of the deposit of \$_____ made by Master Developer for the County's costs and for costs of a deposit for the costs of the State of Nevada, if any deposit is made. The County will pay to the Master Developer the amount of the deposit, but only from available proceeds of the Bond.

B. **Other Incidental Expenses.** TRIGID and a Developer shall be entitled to be reimbursed from Bond proceeds for the actual costs of the following incidental expenses incurred and paid by TRIGID or a Developer, up to an amount not exceeding \$_____: engineering expenses (estimated not to exceed \$_____); environmental expenses (estimated not to exceed \$_____); consultant expenses (estimated not to exceed \$_____); and other non-construction costs associated with the District (estimated not to exceed \$_____). The County will, upon presentation of evidence of payment of the foregoing expenses by TRIGID or a Developer and approval thereof by the County, pay to TRIGID or the Developer the cost incurred, but only from the available proceeds of the Bond. If proceeds of the Bond are not sufficient to pay TRIGID's or a Developer's Incidental Expenses, each Developer shall, at the request of the County to the extent of each Developer's Prorated Share, pay the amount needed.

C. **County's Incidental Expenses.** The County is entitled to pay the following incidental expenses directly from the proceeds of the Bond and the deposit of [\$175,000] made by Master Developer for County costs, and any other monies provided to the County by the Developers for that purpose: (1) the cost of funding a reserve fund in the amount provided in the ordinance of the County authorizing the Bond (the "Bond Ordinance"); (2) the County's cost of issuing the Bond, which includes the estimated fees and expenses of the County's bond counsel, the County's financial consultant, the other costs provided by the State of Nevada, as purchaser of the Bond, the estimated amount of the County's other costs of creating the District, including legal publications, and administering the acquisition and construction of the Project, including legal expenses other than bond counsel expenses, and the County's and the

State's other actual expenses in connection with the issuance of the Bonds (estimated at \$_____); (3) the estimated cost of an appraisal (estimated at \$_____). If the deposit made by the Developers for County costs and the available Bond proceeds are not sufficient to pay the County's Incidental Expenses, each Developer shall, at the request of the County, to the extent of each Developer's Prorated Share pay the amounts needed.

2.4 **Method of Payment.** Payments made to TRIGID, whether for the cost of any portion of the Project or for reimbursement of TRIGID's or a Developer's Incidental Expenses (as described in Section 2.3.B.), shall be made only upon execution of a request for such payment signed by TRIGID or the Developer in the form attached as Exhibit E, by check, draft, or wire to the party designated in the form attached as Exhibit E. The County shall not be obligated to make any payment if after such payment the amount of Bond proceeds which would be remaining is less than ten percent of the original principal amount of the Bond unless the Developers have complied with Section 2.1.L. hereof.

2.5 **County Authorized to Pay.** The County is authorized to directly pay all expenses listed in Section 2.3.B. hereof, without further authorization from TRIGID or the Developers, and shall provide to TRIGID or the Developers, upon request, a copy of any invoice received with respect to those costs, or in the case of internal costs, other evidence of those costs.

2.6 **Appraisal.** The County will obtain an appraisal in form and substance and prepared by persons acceptable to the County which the County will use in evaluating the amount of the Bond, if any, which it will issue for the Project. The appraisal shall demonstrate the value of each parcel to be assessed, all as is required by the Guidelines.

ARTICLE 3. ASSESSMENTS.

3.1 **Procedure.** The Developers agree that the County may proceed to order that the Project be acquired and improved, issue the Bond, request the issuance of the State Bonds, and otherwise finance the cost of the Project and levy assessments without complying with the provisions of NRS 271.305 to 271.320, inclusive, 271.330 to 271.345, inclusive, 271.380 and 271.385 and the provisions of any law requiring public bidding or otherwise imposing requirements on public contracts, projects, works or improvements including without limitation chapter 332, 338 and 339 of NRS except as specifically provided in NRS 271.710. The

Developers agree that the Board may create the District, levy assessments and for all other purposes relating to the District proceed pursuant to the provisions of NRS 271.710.

3.2 **Financing.** After the County determines the amount of the Bond, if any, to be issued based upon the appraisal described in Section 2.6 hereof, the County agrees to proceed with the financing of the improvements by levying assessments against the property in the District and issuing the Bond in the manner described herein and in the County documents, all of which are listed on Exhibit F (the "County Documents"). The County has not agreed to pay the Bond from the sources named in NRS 271.495. If the Bond is issued by the County, the County has agreed to pay the Bond from the uncommitted fund balance of the general fund of the County pursuant to NRS 360.990 as provided in the Bond Ordinance to the extent other moneys pursuant to the Bond Ordinance are insufficient to pay sums coming due on the Bond.

3.3 **Assessed Property, Assessment Roll.** The County will levy assessments against all of the property in the District as provided in the assessment ordinance, and the amount of the assessments against each parcel of property in the District will not exceed that listed in the assessment roll attached hereto as Exhibit G. The final amount of the assessment against each parcel shall be determined in the sole discretion of the County based upon the information provided pursuant to Section 2.6 hereof, the Guidelines, and the report of the assessment engineer hired by the County.

3.4 **Assessment Installments.** Pursuant to NRS 271.405(2), each Developer hereby elects to pay the assessments against Developer Property in installments, with interest thereon as provided in the assessment ordinance. There will be not more than fifty substantially equal semiannual installments due, which substantially equal semiannual installments will include principal and interest. Each Developer waives the right to pay the whole assessment within 30 days after the effective date of the assessment ordinance [except Master Developer shall pay its whole assessment in cash within ten days of the adoption of the assessment ordinance].

3.5 **Interest Rate.** The interest rate on the assessments will be a fixed interest rate which will be determined by the County at a rate that is one percentage point above the highest interest rate on any installment of principal of the Bond, unless a lesser amount is agreed to by the County in its sole discretion. Any interest received that is not used to pay the principal and interest on the Bond will be applied annually by the County, in its sole discretion, to the payment of the reasonable administrative and other expenses of the County in connection with

the Bonds, the assessments and the Project, and to the extent not so used shall be applied as provided in Section 3.7.B. below. The interest rate on the Bond shall not exceed by more than three percent the Index of Twenty Bonds which was most recently published before the bids are received or the negotiated offer is accepted.

3.6 **Installment Due Dates.** Assessment installments shall bear interest at the rate specified as provided in Section 3.5 hereof from the date specified in the assessment ordinance until paid in full. The parties anticipate that fifty (50) amortized assessment installments of principal and interest will be due semi-annually on June 1 and December 1 of each year, commencing on the date set forth in the assessment ordinance. The County may in connection with a refunding of the Bonds, change the assessment amortization, installment dates and payments and any other terms of the assessments permitted to be changed pursuant to NRS 271.488, in the manner provided in NRS 271.488.

3.7 **Bond Reserve.**

A. **Bond Reserve Defined.** A reserve fund (the "Bond Reserve") in the amount of the combined maximum annual principal and interest coming due on the assessments in any one year, or if smaller, such percentage thereof which equals the maximum amount of principal and interest due on the Bonds in any year (the "minimum reserve requirement"), will be created with the proceeds of the Bonds. The Bond Reserve will be used as additional security for the Bonds to pay any principal and interest on the Bonds when due, if the payments of the assessment installments are insufficient for that purpose.

B. **Application of Interest Income.** All amounts in the Bond Reserve in excess of the minimum reserve requirement, derived from interest earned on amounts in the Bond Reserve or otherwise shall be applied at least annually to the following in the following order of priority:

1. **First,** to pay the principal of and interest on the Bond then due to the extent not provided from capitalized or accrued interest or from the assessment installments and interest. Interest used under this clause to pay the principal of and interest on the Bond shall be applied before a withdrawal is made from the balance in the Bond Reserve.

2. **Second,** to restore the Bond Reserve to the minimum reserve requirement if it is not then at that level.

3. **Third,** to pay all administrative and other expenses of the County

associated with the Project, the Bond or the assessments.

4. Fourth, to provide any credit or refund then owed under paragraph D of this section.

5. Fifth, for transfer to the construction fund established to pay costs of the Project.

The County will, by August 1 of each year, commencing on August 1, 2019, compute the application of interest earnings as described above, and interest earnings applicable as provided in Section 3.5 hereof, and such computation shall be available for inspection by any Developer.

C. **Delinquent Assessment Reimbursement.** If because of any delinquent assessment an amount is withdrawn from the Bond Reserve to pay the principal of or interest on the Bonds, and that assessment is later paid in whole or in part (or amounts are received at a foreclosure sale or otherwise as a result of enforcing the payment of the delinquent assessment), an amount equal to the greater of (i) the amount withdrawn plus interest at the assessment interest rate, or (ii) the amount necessary to restore the Bond Reserve to the minimum reserve requirement, to the extent available from that payment of the delinquent assessment (including penalty and interest but after payment of costs of collection) shall be paid to the Bond Reserve from the payment of the delinquent assessment. Each property owner in the District is responsible for the assessment payments, interest and delinquent interest penalties and charges on such property owner's parcel and no property owner in the District is responsible for assessment payments, interest on assessments or delinquent interest penalties and charges on other parcels in the District not owned by such property owner.

D. **Refunds.** Except as provided in the succeeding sentence, at the time the assessment against any parcel of property is prepaid after the issuance of the Bonds in full or in part, that parcel of property shall be entitled to a credit equal to its pro rata share of the balance then in the Bond Reserve, and the minimum reserve requirement shall be recalculated to reflect the payment of such assessment as determined by the County. No credit shall be made to the extent the balance in the Bond Reserve after granting the credit would be less than the minimum reserve requirement, as recalculated, but if this structure prevents all or a part of a credit, a refund in an amount equal to the credit that was not granted shall be made if and when money is available in the Bond Reserve to make the payment and as otherwise provided in paragraph B

hereof.

E. **Use for Other Purposes.** This section does not entitle any Developer or any other person to a refund of amounts in the Bond Reserve and the County is authorized to use amounts in the Bond Reserve for other purposes in connection with any refunding of the Bond even if it reduces or eliminates any refunds that might otherwise be available.

3.8 **Waiver.** Each Developer agrees: (i) that all of the property owned by it in the District is benefitted by the improvements proposed to be constructed and acquired in the District by an amount at least equal to the amount proposed to be assessed against those properties listed in the assessment roll attached as Exhibit H; and (ii) that the County may assess those properties in the amounts listed in the assessment roll. Each Developer waives any and all formalities required by the laws of the United States and the State of Nevada in order to impose such assessments. Each Developer consents and agrees to the assessments listed in the assessment roll for the property and agrees that, provided the Bond is issued, those assessments must be made regardless of whether any or all of the improvements proposed to be constructed as described herein are in fact constructed or any provisions of Article 3 hereof are followed and agrees that the County may proceed to collect and enforce the assessments in the manner described herein and in the County Documents regardless of whether it completes the acquisition or construction of the improvements or complies with Article 3 hereof. At the request of the Developers, the District was created pursuant to the provisions of NRS 271.710 requiring the written consent of each property owner. Pursuant to NRS 271.710, each Developer, a property owner in the District, waives all powers, privileges, immunities and rights as against the County or the District arising from or following from irregularities or defects, if any, occurring in connection with or ensuing from the actions, proceedings, matters and things heretofore taken or hereafter to be taken had and done by the County, the Board and the officers of the County (including, without limitation, the proper description of all property which each Developer may own within the District and the giving of proper notice of the proceedings relating to the District) concerning the creation of the District and the levying of special assessments to meet the cost and expenses of the improvements in the District. Each Developer consents and agrees to be bound and consents and agrees that all property in the District owned by such Developer, including, without limitation, the Assignment of Beneficial Interest in Water Rights relating to each parcel in the District, be bound and be subject to the assessment lien as

thoroughly and effectively as if all actions, proceedings, notices, matters and things had been taken and done free from irregularities. Each Developer also represents and warrants that the market value of each parcel owned by it in the District on the date of execution hereof and the date the assessments are levied exceeds the amount of the assessment proposed to be made against each such parcel.

3.9 **Consent to Reapportionments.** The County may, at its option, refuse to reapportion any assessments levied pursuant to this Agreement and NRS chapter 271 unless the owner(s) of all of the property upon which such reapportioned assessments would be levied provide prior written consent.

ARTICLE 4. MISCELLANEOUS.

4.1 **County Documents.** TRIGID and the Developers agree to all provisions of those County Documents now on file with the County Clerk as of the effective date of this Agreement. Any County Documents not now on file and changes to or additions to the County Documents must be approved by the County, TRIGID and the Developers. This section does not require TRIGID's or the Developer's approval of any new County Document or any change in the County Documents if the Developer's aggregate land holdings in the District consist of land on which there are unpaid assessments which represent, at the time of the adoption of such new or changed County Document, less than 50% of the aggregate unpaid assessments in the District.

4.2 **Permits.** TRIGID hereby represents and warrants to the best of its knowledge after reasonable investigation that prior to commencement of construction of the Project it will have acquired all discretionary governmental or other permits required to proceed with development of the Project and will have paid all fees relating thereto and any other fees owing with respect to the Project. TRIGID covenants that it will obtain any permits it does not now have and pay all fees due. There is no impediment, to TRIGID's knowledge, to proceeding with the Project to completion.

4.3 **Permitted Investments.** Any funds invested by the County under this Agreement may be invested in any investment that would be lawful for the County under the provisions of chapter 355 and 356 of NRS.

4.4 **Indemnification; Insurance.**

A. **Indemnification To County.** The Master Developer agrees to protect, indemnify, defend and hold the County, its officers or employees and agents and each of them

harmless from and against any and all claims, losses, expenses, suits, actions, decrees, judgments, awards, attorneys' fees, and court costs which the County, its officers, employees or agents or any combination thereof may suffer or which may be sought against or recovered or obtained from the County, its officers, employees or agents or any combination thereof as a result of or by reason of or arising out of or in consequence of: (i) the acquisition, construction or financing of the improvements acquired by TRIGID pursuant to this Agreement; (ii) any environmental or hazardous waste conditions which existed on any of the Project Property at any time prior to final acceptance of the Project by an Applicable Government or which was caused by TRIGID, provided said condition was not caused by the deliberate action of the County; or (iii) any act or omission negligent or otherwise of TRIGID or any of its subcontractors, agents or anyone who is directly employed by or acting in connection with TRIGID or any of its subcontractors, or agents, in connection with the Project. The Master Developer agrees to protect, indemnify, defend and hold the County, its officers or employees and agents and each of them harmless from and against any and all claims, losses, expenses, suits, actions, decrees, judgments, awards, attorneys' fees, and court costs which the County, its officers, employees or agents or any combination thereof may suffer or which may be sought against or recovered or obtained from the County, its officers, employees or agents or any combination thereof as a result of or by reason of or arising out of or in consequence of any environmental or hazardous waste conditions which existed on any of the property which is assessed at any time, provided said condition was not caused by the deliberate action of the County. This Section 4.5 is not intended and shall not be construed to be a warranty of the construction, workmanship or of the materials or equipment incorporated in the Project.

B. **Defense of Suits.** The Master Developer agrees that it shall at its sole cost and expense defend (including, without limitation, by paying the cost of attorneys selected by the County to assist in such defense) the County, its officers, employees and agents and each of them in any suit or action that may be brought against it or any of them by reason of the County's involvement in the Project and the financing thereof. The Master Developer agrees that it shall at its sole cost and expense defend (including, without limitation, by paying the cost of attorneys selected by the County to assist in such defense) the County, its officers, employees and agents and each of them in any suit or action that may be brought against it or any of them by reason of the County's involvement in the Project and the financing thereof, or any act or

omission negligent or otherwise the consequences of which the Master Developer has agreed to indemnify the County, its officers, employees or agents. If the Master Developer fails to do so, the County shall have the right but not the obligation to defend the same and charge all of the direct or incidental costs of such defense including any attorneys fees or court costs to and recover the same from the Master Developer who fails to do so.

C. **Exception.** No indemnification is required to be paid by the Master Developer for any claim, loss or expense arising from the willful misconduct or gross negligence of the County, its officers or employees and agents.

D. **Survival.** The provisions of this section shall survive the termination of this Agreement. It is not intended by the parties hereto that this indemnification provision revive any claim of or extend any statute of limitations which has run against any third party.

E. **Insurance.** TRIGID shall procure and maintain during the course of this Agreement the insurance coverages that meet or exceed those required in public works construction agreements entered into directly with the County. Such requirements, as they currently exist, are set forth in Exhibit Q attached hereto. Said insurance requirements may be amended from time to time and an updated copy of such requirements is available from the County upon request. All contracts entered into by TRIGID for the completion of work or professional services required pursuant to this Agreement shall contain indemnification and insurance clauses to protect the County's interest.

4.5 **No Third-Party Beneficiaries.** None of the provisions of this Agreement are intended to make any person who is not a party to this Agreement, including, without limitation, the subsequent owners of any property assessed, any subcontractor for the project, the general public or any member thereof, a third party beneficiary hereunder or to authorize anyone who is not a party to this Agreement to maintain any suit pursuant to this Agreement for any reason, including, without limitation, any suit for personal injuries or property damage and any suit by a subcontractor for the project for payment for work performed at the request of TRIGID, except that the Applicable Governments are beneficiaries of the provisions hereof that specifically provide the Developers' obligations to those Governments.

4.6 **No Guarantee of Water Capacity.** Nothing in this Agreement or any other document involving the District nor the installation by way of the District of, or the assessment of the property within the District for, the Project shall be taken as a guarantee, promise or

representation by the County that water transported by the Project will be made available to the property in the District.

4.7 **Successors; Assignments.** This Agreement shall be binding upon and inure to the benefit of the County, TRIGID and the Developers and their respective successors and assigns. No assignment of this Agreement or any right or obligation hereunder by any Developer hereto shall be valid unless the County consents to such assignment in writing.

4.8 **Inspection of Books.** The County will permit TRIGID and each Developer to inspect its books and records pertaining to the District, *including but not limited to, information relating to bond principal outstanding, interest disbursements, and balances of funds held by or on behalf of the County.*

4.9 **Entire Agreement.** This Agreement, including the exhibits hereto, constitutes the entire agreement of the parties hereto. This Agreement may be modified by the parties hereto but only by a written instrument signed and acknowledged by each party and recorded with the County Recorder of the County.

4.10 **Further Assurances.** The Developers, TRIGID and the County agree to do such further acts and things and to execute and deliver to the other such additional certificates, documents and instruments as the other may reasonably require or deem advisable to carry into effect the purposes of this Agreement or to better assure and confirm unto the other parties its rights, powers, and remedies hereunder. Each Developer shall execute all consents, certificates and other documents which the County or the purchaser of the Bond reasonably request in connection with the sale of the Bond.

4.11 **Obligations of Master Developer; Guarantee.** The obligations of each Developer under Articles 2 and 4 hereof shall be secured by the guarantee of Master Developer attached hereto as Exhibit I. The obligations to pay assessments in Article 3 pertain only to the land owned by each Developer in the District and are not personal obligations of each Developer. By performing on its guarantee, Master Developer shall be assigned the claim or cause of action against the Developer or Developers who have failed to perform, and Master Developer may pursue said claim or cause of action in the place and stead of County without notice to or the consent of County.

4.12 **Notices.** All notices, demands, instructions and other communications required or permitted to be given to or made upon any party hereto shall be in writing and shall be personally

delivered, transmitted by facsimile or email, or sent by registered or certified mail, postage prepaid, addressed as follows:

If to the COUNTY:

The County of Storey
County Manager
PO Box 176
Virginia City, Nevada 89440
Email: PWhitten@StoreyCounty.org

If to the DEVELOPERS:

Tahoe-Reno Industrial Center
P.O. Box 838
Poway, California 92074-0838
Attention: Cindy Gagliano
Email: cgagliano@normanproperties.com

SUPERNAP Reno, LLC
c/o Switch, Ltd.
Attn: Office of the General Counsel
7135 S. Decatur Blvd.
Las Vegas, NV 89118
Email: switchlegal@supernap.com

Comstock TRIC Associates, LLC
6001 Talbot Lane
Reno, NV 89509
Email: tmerschel@renoland.com

Silver Slate LLC

Email: mpmartin@google.com

Tesla, Inc.
Attn: Legal Department
6800 Dumbarton Circle
Fremont, CA 94555
Email: legalUS@tesla.com

Eagle Valley Acquisition LLC
TRIC Acquisition LLC

c/o Blockchains, LLC
Attn: General Counsel
610 Waltham Way
Sparks, NV 89434
Email: lweiss@blockchains.com

Emerald City Empire, LLC
Attn: Randel W. Aleman
7272 El Capitan Way, Suite #2
Las Vegas, NV 89148
Email: randywaleman@gmail.com

If any notice hereunder is given to the County, a copy shall be forwarded by first class mail, postage prepaid, facsimile transmission or email to the County's Engineer, Chief Financial Officer and District Attorney at:

Farr West Engineering
c/o Brent Farr
5510 Longley Lane
Reno, Nevada 89511
Email: Brent@farrwestengineering.com

Hugh Gallagher
Chief Financial Officer
26 B St.
P.O. Box 432
Virginia City, NV 89440
hgallagher@storeycounty.org

and

District Attorney
Attn: Keith Loomis
201 S. C St.
P.O. Box 496
Virginia City, NV 89440
Email: scda@storeycounty.org

4.13 **No Waivers.** No failure or delay on the part of any party in enforcing any provision shall operate as a waiver thereof, nor shall any single or partial enforcement of any provision hereof preclude any other or further enforcement or the exercise of any other right, power or remedy that either party may have.

4.14 **Attorneys' Fees.** If the County incurs attorneys' fees or expenses or any other fees and expenses in connection with the actual or overtly threatened breach by any other party of any provision hereof or in enforcing the provisions hereof, the County shall be entitled to recover such fees and expenses from the Master Developer.

4.15 **Severability.** If any provision of this Agreement is deemed to be invalid or unenforceable, such invalidity or unenforceability shall not affect the remaining provisions hereof that can be given effect without the invalid or unenforceable provision and the County, TRIGID and Developers agree to replace such invalid or unenforceable provision with a valid provision which has, as nearly as possible, the same effect.

4.16 **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Nevada. The parties agree and consent to the jurisdiction of the courts of the State of Nevada and/or federal district courts, District of Nevada, for the purpose of resolving all issues of law, equity, or fact arising out of or in connection with this Agreement.

4.17 **No County Obligation.** Nothing herein obligates the County to expend any money other than funds derived from the sale of the Bond and amounts received from the investment thereof and receipts from the assessments made against the property in the District. Nothing herein obligates the County to issue the Bond; however, the obligations of the Developers hereunder (except as provided in the following sentence) are contingent on the issuance of the Bond by the County. If the Bond is not issued by June 1, 2019 for any reason, this Agreement may be terminated by any of the parties, but each Developer shall be responsible for payment of all of the costs incurred by that Developer and each Developer, to the extent of its Developer's Prorated Share shall be responsible for all reasonable costs incurred by the County in connection with the issuance of the Bond prior to that date. The amount of such costs incurred by the County shall not be contestable or appealable, absent fraud or gross abuse of discretion. Each Developer shall pay to the County its Developer's Prorated Share of the costs submitted in the County's statement within thirty (30) days after receiving notice of the amount of the costs.

4.18 **Termination Date.**

A. Except as otherwise provided in Sections 2.1.L and 4.4 hereof, this Agreement shall be in effect from the date and year first mentioned above until the later of: (i) the date all of the Bond and all bonds issued to refund any of the Bond (including through a series of refundings)

have been retired; or (ii) the date on which all of the assessments against property in the District have been paid in full.

B. The foregoing Section 4.18.A notwithstanding, in the event a Developer's Prorated Share, including outstanding assessments, assessment interest and unpaid penalties, is fully paid prior to the termination of this Agreement specified in Section 4.18A, all obligations herein of the Developer under this Agreement (except as otherwise provided in Section 2.1.L) shall be deemed satisfied and any Assignment of Beneficial Interest in Water Rights with respect to the parcels relating to such prepayment may be cancelled and released.

C. The foregoing Section 4.18A notwithstanding, in the event the outstanding assessment, assessment interest and any unpaid penalties with respect to a parcel in the District is fully paid prior to the termination of this Agreement specified in Section 4.18A, all obligations herein of the Developer (except as otherwise provided in Sections 2.1.L hereof) with respect to such parcel shall be deemed satisfied and any Assignment of Beneficial Interest in Water Rights with respect to that parcel relating to such prepayment may be cancelled and released.

4.19 **Counterparts.** This Agreement may be executed on one or more counterparts, each of which shall be regarded as an original and all of which shall constitute the same Agreement.

4.20 **Recordation.** After this Agreement is executed in full, the County shall, within ten (10) working days, record a summary of this Agreement in the office of the County Recorder, after which this Agreement:

A. Is a binding obligation on all subsequent owners of the property described in Exhibit A pursuant to the terms hereof;

B. Is not extinguished by the sale of any property on account of nonpayment of general taxes or any other sale of the property; and

C. Is prior and superior to all liens, claims, encumbrances and titles other than the liens of assessment and general taxes.

4.21 **Conveyance Restriction.** Each Developer agrees not to convey any parcel, lot or real property interest in any land described in Exhibit A to any party until after this Agreement has been recorded in the office of the County Recorder with said recording occurring upon agreement of the County.

4.22 **Disclosure to Transferee.** Each Developer agrees to inform any transferee of the property described in Exhibit A of the existence of this Agreement and the assessments and to obtain from any transferee who is known to such Developer to be acquiring a lot for development and resale a covenant to make a similar disclosure to any subsequent transferee. A form disclosure statement, which each Developer agrees to use commercially reasonable efforts to deliver to all transferees of the property described in Exhibit A, is attached as Exhibit H.

4.25 **Execution Authorization.** The persons executing this Agreement hereby state and acknowledge that they are authorized and empowered to do so on behalf of the party so designated.

4.26 **Construction; Time.**

A. The language of this Agreement shall be construed as a whole according to its fair meaning and intent and not strictly for or against any party. All parties have been represented by counsel in the negotiation of this Agreement, and this Agreement shall be deemed to have been drafted by all of the parties.

B. Time is of the essence of this Agreement and all terms, provisions, covenants, and conditions hereof.

[The remainder of this page intentionally left blank.]

IN WITNESS WHEREOF the County and the Developers have caused this Agreement to be executed as of the day and year first mentioned above.

THE COUNTY OF STOREY, a political
subdivision of State of Nevada

Chairman of the Board
Board of County Commissioners

(SEAL)
ATTEST:

County Clerk
Storey County, Nevada

TRI GENERAL IMPROVEMENT
DISTRICT, a political subdivision of the State
of Nevada

Kris Thompson, President

SUPERNAP RENO, LLC, a Nevada limited
liability company

By: Switch, Ltd., a Nevada limited liability
company, its Manager

By: _____
Thomas Morton, President

TAHOE-RENO INDUSTRIAL CENTER,
LLC, a Nevada limited liability company

By: Norman Properties, Inc., a California
corporation, its Manager

By: _____
Don Roger Norman, President

SILVER SLATE LLC, a Delaware limited
liability company

By: _____

Name: _____

Title: _____

TESLA, INC., a Delaware corporation

By: _____

Name: _____

Title: _____

EAGLE VALLEY ACQUISITION LLC, a
Nevada limited liability company

By: _____

Name: _____

Title: _____

TRIC ACQUISITION, LLC, a Nevada limited
liability company

By: _____

Name: _____

Title: _____

1200 USA PKWY LLC, a Nevada limited
liability company

By: _____

Name: _____

Title: _____

EMERALD CITY EMPIRE, LLC, a Nevada
limited liability company

By: _____

Name: _____

Title: _____

COMSTOCK TRIC ASSOCIATES, LLC, a
Nevada limited liability company

By: _____

Name: _____

Title: _____

STATE OF NEVADA)
)
COUNTY OF WASHOE)

This instrument was acknowledged before me on _____, 2018 by KRIS THOMPSON as President of TRI General Improvement District, a political subdivision of the State of Nevada.

Notary Public

STATE OF NEVADA)
)
COUNTY OF _____)

This instrument was acknowledged before me on _____, 2018 by _____ as _____ of Switch, Ltd., a Nevada limited liability company, Manager of Supernap Reno, LLC, a Nevada limited liability company.

Notary Public

STATE OF NEVADA)
)
COUNTY OF WASHOE)

This instrument was acknowledged before me on _____, 2018 by DON ROGER NORMAN as President of Norman Properties, Inc., a California corporation, Manager of Tahoe-Reno Industrial Center, LLC, a Nevada limited liability company.

Notary Public

STATE OF _____)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me on _____, 2018 by _____ as _____ of _____, Manager of Silver Slate LLC, a Delaware limited liability company.

Notary Public

STATE OF NEVADA)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me on _____, 2018 by _____ as _____ of Tesla, Inc., a Delaware corporation.

Notary Public

STATE OF _____)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me on _____, 2018 by _____ as _____ of Eagle Valley Acquisition LLC, a Nevada limited liability company.

Notary Public

STATE OF NEVADA)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me on _____, 2018 by _____ as _____ of TRIC Acquisition LLC, a Nevada limited liability company.

Notary Public

STATE OF NEVADA)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me on _____, 2018 by
_____ as _____ of 1200 USA PKWY LLC, a Nevada limited
liability company.

Notary Public

STATE OF NEVADA)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me on _____, 2018 by
_____ as _____ of Emerald City Empire, LLC, a Nevada
limited liability company.

Notary Public

STATE OF NEVADA)
) ss.
COUNTY OF _____)

This instrument was acknowledged before me on _____, 2018 by
_____ as _____ of Comstock TRIC Associates, LLC, a Nevada limited
liability company.

Notary Public

EXHIBIT "A-1"
Legal Description of Developer Property

APN 005-111-12

That certain real property located in Section 31, T20N, R23E, M.D.M. shown as Parcel 2007-77 on that Record of Survey recorded as File No. 107228 in the Official Records of Storey County, Nevada.

APN 005-111-66

That certain real property located in Section 36, T20N, R23E, M.D.M. shown as Parcel 2017-53 on that Record of Survey recorded as File No. 127029 in the Official Records of Storey County, Nevada.

APN 005-111-67

That certain real property located in Section 31, T20N, R23E, M.D.M. shown as Parcel 2017-55 on that Record of Survey recorded as File No. 127031 in the Official Records of Storey County, Nevada.

APN 005-011-81

That certain real property located in Sections 18 and 19, T19N, R22E, M.D.M. shown as Parcel 2017-35 on that Record of Survey recorded as File No. 127016 in the Official Records of Storey County, Nevada.

APN 005-011-84

That certain real property located in Section 18, T19N, R23E, M.D.M. shown as Parcel 2017-38 on that Record of Survey recorded as File No. 127018 in the Official Records of Storey County, Nevada.

APN: 005-011-58

That certain real property located in Sections 20, 21, 28, and 29, T19N, R23E, M.D.M. shown as Parcel 2016-26 on that Record of Survey recorded as File No. 125488 in the Official Records of Storey County, Nevada.

APN: 005-011-65

That certain real property located in Sections 17, 20, and 21, T19N, R23E, M.D.M. shown as Parcel 2017-16 on that Record of Survey recorded as File No. 126225 in the Official Records of Storey County, Nevada.

APN: 005-011-66

That certain real property located in Section 17, T19N, R23E, M.D.M. shown as Parcel 2017-19 on that Record of Survey recorded as File No. 126225 in the Official Records of Storey

County, Nevada.

APN: 005-011-70

That certain real property located in Sections 17, 18, 19 and 20, T19N, R23E, M.D.M. shown as Parcel 2017-14 on that Record of Survey recorded as File No. 126223 in the Official Records of Storey County, Nevada.

APN 005-011-45

That certain real property located in Sections 14 and 15, T19N, R22E, M.D.M. shown as Parcel 2015-27 on that Record of Survey recorded as File No. 122561 in the Official Records of Storey County, Nevada.

APN 005-011-46

That certain real property located in Sections 22 and 23, T19N, R22E, M.D.M. shown as Parcel 2015-28 on that Record of Survey recorded as File No. 122561 in the Official Records of Storey County, Nevada.

APN 005-011-48

That certain real property located in Sections 14, 15, and 23, T19N, R22E, M.D.M. shown as Parcel 2015-31 on that Record of Survey recorded as File No. 122563 in the Official Records of Storey County, Nevada.

APN 005-011-49

That certain real property located in Sections 13, 14, and 23, T19N, R22E, M.D.M. shown as Parcel 2015-32 on that Record of Survey recorded as File No. 122565 in the Official Records of Storey County, Nevada.

APN 005-011-50

That certain real property located in Section 23, T19N, R22E, M.D.M. shown as Parcel 2015-33 on that Record of Survey recorded as File No. 122565 in the Official Records of Storey County, Nevada.

APN 005-011-85

That certain real property located in Sections 16 and 17, T19N, R22E, M.D.M. shown as Parcel 2017-39 on that Record of Survey recorded as File No. 127018 in the Official Records of Storey County, Nevada.

APN 005-011-89

That certain real property located in Sections 15, 16, 21, and 22, T19N, R22E, M.D.M. shown as Parcel 2017-61 on that Record of Survey recorded as File No. 127035 in the Official

Records of Storey County, Nevada.

APN 005-071-08

That certain real property located in Section 14, T19N, R22E, M.D.M. shown as Parcel 2008-5 on that Record of Survey recorded as File No. 108658 in the Official Records of Storey County, Nevada.

APN 005-071-12

That certain real property located in Section 14, T19N, R22E, M.D.M. shown as Parcel 2008-6 on that Record of Survey recorded as File No. 108658 in the Official Records of Storey County, Nevada.

APN 005-071-57

That certain real property located in Sections 10 and 11, T19N, R22E, M.D.M. shown as Parcel 2018-13 on that Record of Survey recorded as File No. 127272 in the Official Records of Storey County, Nevada.

APN 005-081-07

That certain real property located in Section 14, T19N, R22E, M.D.M. shown as Parcel 2015-10 on that Record of Survey recorded as File No. 122160 in the Official Records of Storey County, Nevada.

APN 005-081-10

That certain real property located in Sections 14 and 15, T19N, R22E, M.D.M. shown as Parcel 2015-25 on that Record of Survey recorded as File No. 122561 in the Official Records of Storey County, Nevada.

APN 005-091-29

That certain real property located in Section 12, T19N, R22E, M.D.M. shown as Parcel 2014-4 on that Record of Survey recorded as File No. 120562 in the Official Records of Storey County, Nevada.

APN 005-091-42

That certain real property located in Section 1, T19N, R22E, M.D.M. shown as Parcel 2014-34 on that Record of Survey recorded as File No. 121588 in the Official Records of Storey County, Nevada.

APN 005-091-44

That certain real property located in Sections 1 and 6, T19N, R22E and R23E, M.D.M. shown as Parcel 2015-3 on that Record of Survey recorded as File No. 121903 in the Official Records of Storey County, Nevada.

APN 005-091-45

That certain real property located in Section 1, T19N, R22E, M.D.M. shown as Parcel No. 2015-4 on that Record of Survey recorded as File No. 121903 in the Official Records of Storey County, Nevada.

APN 005-091-47

That certain real property located in Section 1, T19N, R22E, M.D.M. shown as Parcel No. 2015-34 on that Record of Survey recorded as File No. 123219 in the Official Records of Storey County, Nevada.

APN 005-091-49

That certain real property located in Section 1, T19N, R22E, M.D.M. shown as Parcel No. 2015-36 on that Record of Survey recorded as File No. 123219 in the Official Records of Storey County, Nevada.

APN 005-091-52

That certain real property located in Sections 1 and 12, T19N, R22E, M.D.M. shown as Parcel No. 2015-38 on that Record of Survey recorded as File No. 123221 in the Official Records of Storey County, Nevada.

APN 005-111-48

That certain real property located in Sections 1 and 6, T19N, R22E and R23E, M.D.M. shown as Parcel No. 2012-13 on that Record of Survey recorded as File No. 117725 in the Official Records of Storey County, Nevada.

APN: 005-051-29

That certain real property located in Section 2, T19N, R22E, M.D.M. shown as Parcel 2005-5 on that Record of Survey recorded as File No. 099901 in the Official Records of Storey County, Nevada.

APN: 005-051-30

That certain real property located in Section 2, T19N, R22E, M.D.M. shown as Parcel 2005-1A1D on that Record of Survey recorded as File No. 101973 in the Official Records of Storey County, Nevada.

APN: 005-051-53

That certain real property located in Section 2, T19N, R22E, M.D.M. shown as Parcel 2014-33 on that Record of Survey recorded as File No. 121590 in the Official Records of Storey County, Nevada.

APN: 005-051-57

That certain real property located in Section 2, T19N, R22E, M.D.M. shown as Parcel 2017-11 on that Record of Survey recorded as File No. 127020 in the Official Records of Storey County, Nevada.

APN: 005-101-36

That certain real property located in Sections 1 and 2, T19N, R22E, M.D.M. shown as Parcel 2018-5 on that Record of Survey recorded as File No. 127126 in the Official Records of Storey County, Nevada.

APN: 005-101-39

That certain real property located in Section 2, T19N, R22E, M.D.M. shown as Parcel 2018-2 on that Record of Survey recorded as File No. 127128 in the Official Records of Storey County, Nevada.

APN: 005-101-40

That certain real property located in Section 2, T19N, R22E, M.D.M. shown as Parcel 2018-3 on that Record of Survey recorded as File No. 127128 in the Official Records of Storey County, Nevada.

Exhibit B
Title Exceptions to Developer Property

All title exceptions not waived by the County are contained in the records of the County Clerk related to this Agreement, as shown on Title Reports for the Project Property.

Exhibit C
Descriptions of Project
Purchase Prices, and Completion Dates

Exhibit C – Appendix 1
Map of Project location

Exhibit D
(Intentionally Omitted)

Exhibit E
TRIGID or Developer Payment Request Form

Date: _____

To:

Dear _____:

Attached please find documentation [including lien releases] evidencing a payment request in the total amount of \$ _____ (TRIGID or name of Developer). The payment request is as contemplated and described in the Financing Agreement for the expenses and costs heretofore paid by TRIGID or a Developer and listed in the attached itemized statement, as contemplated by the District Financing Agreement between us and Storey County dated _____, 2018: (itemize and detail expenses or costs on an attached sheet(s))

Please remit via wire transfer to the following:

Bank Name:

ABA #:

Account Number:

Account Name:

Reference: SAD No. 01

Thank you.

By: _____

Title: _____

Exhibit F
List of County Documents

Action

Preliminary Plans Resolution	To be Adopted and Filed
Full and Detailed Plans Resolution	To be Adopted and Filed
Ordinance Creating District	To be Adopted and Filed
Assessment Roll Resolution	To be Adopted and Filed
Assessment Ordinance	To be Adopted and Filed
Bond Ordinance	To be Adopted and Filed
Certificate of the Chief Financial Officer	To be executed following adoption of the Bond Ordinance

Exhibit G
Assessment Roll

Exhibit H
Disclosure Statement to Property Buyers

Storey County, Nevada
Special Assessment District No. 01 Information Form

Dear Property Owner,

You are about to purchase a property in Storey County, Nevada, Special Assessment District No. 01 (the "District"). THIS PROPERTY IS SUBJECT TO AN OUTSTANDING ASSESSMENT. Below are some commonly asked questions regarding special assessment districts. Please take the time to read through all of the information.

Why was the District created?

In _____ of 2018, Storey County issued \$ _____ in bonds to fund the acquisition and construction of certain water improvements specifically benefitting property located in the District.

What are my assessment installment payments used for?

To repay the principal and interest on the bonds issued to finance the water improvements.

Who is responsible for payment?

Each assessment constitutes a lien on the property similar to a property tax lien and must be paid by the property owner.

How often are assessments installments billed?

Assessment installments are billed semi-annually. Assessment payments are due March 1 and September 1 of each year until _____. Late penalties for delinquent installments can be substantial. To avoid late penalties and potential sale and foreclosure proceedings, please pay the amount due prior to each due date. Late penalties accrue at the first of each month if payment is not received on or before each due date.

Can the assessment be paid in advance?

Yes. The assessment may be paid in full at any time, if interest is also paid to the next assessment installment payment date.

Is there a premium charged for prepaying my assessment?

Yes. The prepayment premium is _____ % of the outstanding principal balance.

What happens if I sell my property?

The remaining assessment may be transferred to the new owner at the time of sale or paid off in advance as described above.

Are there penalties for failure to pay/underpayment of assessment installments?

Yes. If an assessment payment is not received by its due date indicated on the bill, a late penalty of 2% per month of the total outstanding assessment will be imposed. In addition, failure to pay an assessment installment when due may cause the whole amount of the outstanding assessment to become due and payable immediately as a result of the commencement of sale or foreclosure proceedings.

What about Overpayments?

If an overpayment is received, the amount of the overpayment will be credited in accordance with policy established by the County.

Is my assessment limited to the property I own?

Yes. The assessment levied on any property owner's parcel is limited to that individual piece of property. As a property owner, you will never be liable for any other owners' assessments.

Exhibit I
Form of Guarantee

GUARANTY

This Guaranty ("**Guaranty**") is made and entered into as of the ____ day of _____, 2018, by Tahoe-Reno Industrial Center, LLC, a Nevada limited liability company, ("**Guarantor**") and delivered to the County of Storey ("**County**"), a political subdivision of the State of Nevada, with respect to the following facts and circumstances.

A. The Board of County Commissioners of the County proposes to establish Storey County, Nevada, Assessment District No. 01 (Tahoe-Reno Industrial Center) (the "**District**") pursuant to Chapter 271 of the Nevada Revised Statutes ("**NRS**") and to sell certain limited obligation special assessment bonds (the "**Bonds**") for the purpose of constructing certain public improvements in the District.

B. In order to provide moneys for the payment of principal, interest and premium, if any, on the Bonds, TRIGID and Developers (as defined in the District Financing Agreement referenced below in this paragraph were required, pursuant to NRS 271.710 and 271.720 to enter into a written agreement for the acquisition or construction, or both, of such public improvements, designated in connection with the District as the "District Financing Agreement" and dated as of _____, 2018 (the "**Agreement**"), by and among the County, TRIGID and the Developers. The Agreement provides for assessments, as more specifically described in the Agreement, on the property within the District, which constitute a lien on such property (the "**Assessment**" or "**Assessments**").

C. Any terms used herein and not otherwise defined shall have the meaning given them in the Agreement.

In consideration of the County's issuance of the Bonds to finance improvements, Guarantor has agreed, at the request of Developers and the County, to guarantee unconditionally certain terms of the Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Guarantor, Guarantor, as a separate and independent obligation of Guarantor to the County, agrees with the County as follows:

ARTICLE I. REPRESENTATIONS, WARRANTIES AND COVENANTS

Guarantor makes the following representations and warranties which shall be continuing representations and warranties, as long as any of the Developers' obligations to perform under Article 1 and Article 3 of the Agreement have not been fully and satisfactorily performed.

Section 1.01 Guaranty Binding. This Guaranty is a valid and legally binding obligation of Guarantor enforceable in accordance with its terms.

Section 1.02 No conflict. The execution and delivery of this Guaranty are not, and the performance of this Guaranty will not be, in contravention of, or in conflict with, any agreement, indenture or undertaking to which Guarantor or Developers are parties.

ARTICLE II. GUARANTY

Section 2.01 Guaranty. Guarantor unconditionally guarantees and promises to:

(1) In the event Developers fail to do so, pay all costs of engineering design, appraisals, environmental work, property acquisition, title work and engineering services for the Project for which Developers are obligated under the Agreement and which are incurred or due and payable prior to the time Bonds are issued for the District or in the event Bonds are not issued.

(2) In the event the cost of construction together with all other costs paid from the proceeds of the Bonds issued for the District exceeds the amount of the proceeds of those Bonds available for payment of those costs, and should Developers fail to do so, pay in cash the amount of any such cost overruns when due.

(3) In the event a Developer fails to do so, and other moneys are not available for payment of such costs, remedy any defects in any subproject and pay for any damage to other work resulting there from which shall appear within one (1) year from the date of transfer of title of that subproject to the County or TRIGID, whichever is applicable.

(4) In the event a Developer fails to do so, protect and indemnify and hold the County, its officers or employees and agents and each of them harmless as provided in Article 3 of the Agreement.

(5) In the event a Developer fails to do so, otherwise fully and satisfactorily perform all of the Developer's obligations under Article 2 and Article 4 of the Agreement.

Section 2.02 Limitation. This Guaranty extends to those obligations of the Developers which are described in Section 4.13 of the Agreement as being personal obligations of a Developer, but does not extend to those assessment obligations described in that Section 4.13 of the Agreement as relating only to the Developers' property.

ARTICLE III. MISCELLANEOUS

Section 3.01 Governing Law; Jurisdiction and Venue. This Guaranty shall be governed by and construed in accordance with the laws of the State of Nevada. In the event that the County in its sole and absolute discretion, determines that it is necessary to enforce its rights hereunder through litigation, Guarantor hereby consents to the jurisdiction of any federal or state court in the State of Nevada over such litigation. The Parties stipulate to venue in such courts in Washoe or Storey County, Nevada.

Section 3.02 Modification. The parties to this Guaranty shall not enter into any alteration or modification of the Agreement which would in any way increase the extent of the

Guarantor's obligations hereunder, or which would make performance by the Developers more difficult, without first obtaining Guarantor's written consent. Guarantor shall have the benefit of any modification of the obligations of a Developer under the Agreement, and shall also have the benefit of any settlement, compromise, or adjustment of any claims of County arising out of the Agreement.

Section 3.03 Waivers. Guarantor waives any right to require the County to proceed against any other person liable for performance guaranteed hereby, to proceed against or exhaust any security held from any other person or to pursue any other remedy, including without limitation any remedy against Developers, and Guarantor understands and acknowledges that any demand upon Guarantor to perform under this Guaranty may, at the sole and absolute option of the County, be enforced against Guarantor as a separate and independent action apart from the obligation of the Developer that is secured by this Guaranty. Guarantor understands and acknowledges that NRS 40.430 does not apply to this Guaranty, and if it should ever be interpreted as applying, Guarantor specifically waives any right that it may otherwise have under and by virtue of NRS 40.430. The County may, at its election, exercise any right or remedy it may have against any other person or any security held by the County, without affecting or impairing in any way the liability of Guarantor hereunder, except to the extent the obligations guaranteed hereby are fully and satisfactorily performed, and Guarantor waives any defense arising out of the absence, impairment or loss of any right of reimbursement, contribution or subrogation or any other right or remedy of Guarantor against any security whether resulting from such election by the County or otherwise.

Section 3.04 Notice. All notices, demands, instructions, and other communications required or permitted to be given to, or made upon, any party hereto shall be in writing and shall be personally delivered or sent by registered or certified mail, postage prepaid, facsimile transmission or email addressed as follows:

If to the COUNTY: Storey County, Nevada
Attn: County Manager
PO Box 176
Virginia City, Nevada 89440
Email: pwhitten@storeycounty.org

If to the GUARANTOR: Tahoe-Reno Industrial Center, LLC
PO Box 838
Poway, CA 92074
Email: cgagliano@normanproperties.com

TAHOE RENO INDUSTRIAL CENTER,
LLC, a Nevada limited liability company

By: Norman Properties, Inc., a California
corporation

By: _____
DON ROGER NORMAN, President

THE COUNTY OF STOREY, a political
subdivision of State of Nevada

Chairman of the Board
Board of County Commissioners

SEAL)
ATTEST:

County Clerk
Storey County, Nevada

Exhibit J

(Intentionally Omitted)

Exhibit K
Audit Book Checklist

**STOREY COUNTY SID REIMBURSEMENT
PACKAGE CHECKLIST**

The Developer shall submit a Request for Reimbursement (Audit Book) after the completion of the Project. In order to complete an effective and efficient audit, the Audit Book must be accompanied with a copy of the As-Built Plans (if As-Built are not available, copy of the latest Approved Plans), AND must provide all the items below or the audit book will not be reviewed and will be returned as incomplete:

1. The audit book submittal must be in a 3 ring binder(s) and organized by sections (tabs).
2. The first section (Reimbursement) will provide:
 - ☐ a. The Transmittal Letter (attachment "A"). LOCATION: _____
 - ☐ _____
 - b. Table of Contents
3. The second section (Agency Acceptance) will provide:
 - ☐ a. Executed Payment Request Form (see Exhibit to Financing Agreement).
AMOUNT REQUESTED: _____
 - ☐ b. The project description. SAD#: 01 PROJECT #: _____
 - ☐ c. The SAD Bond Release letter (attachment "B") which indicates the portions of the Project have been inspected and all punch items have been completed and is constructed in accordance with the plans and specifications on file with Storey County. AMOUNT: _____
 - ☐ d. Certificate of Acknowledgement (for SAD 01 and newer) with TRIGID's signature (applicable attachment) ("C" or "C1").
 - ☐ e. Written documentation of subproject Approval/Acceptance of other public entity, as applicable
4. The next sections shall be organized by contract(s) and should include:
 - ☐ a. Project itemized reimbursement Cover Sheet (attachment "D").
 - ☐ b. Notice to Proceed
 - ☐ c. Notice of Award
 - ☐ d. Contract
 - ☐ i. Back-up, including change orders, final quantities; including permits, surveying, geotechnical, engineering, construction, etc., for the Project submitted for reimbursement. *(Cost breakdown will include the pro-rata share allocation for reimbursement for each contract for the Project)*
 - ☐ e. Cancelled Check (clear and legible copies)
 - ☐ f. Application for Payment/Invoice
 - ☐ g. Lien Release (final payment)

5. The last section (Certified Payroll) will provide:

- ☐ a. Summary of certified payroll cover sheet (**attachment "E"**)
- ☐ b. Supporting documentation

If additional information is required during the review process, it will be requested in writing that TRIGID supply supplemental data.

Exhibit L-1

Form of Certificate of Acknowledgement of Project (90% Progress Payment)

**CERTIFICATE OF ACKNOWLEDGEMENT OF
PROJECT FOR PAYMENT (90% PROGRESS PAYMENT)**

**SPECIAL ASSESSMENT DISTRICT NO. 01
(TAHOE-RENO INDUSTRIAL CENTER)**

This CERTIFICATE OF ACKNOWLEDGEMENT OF PROJECT FOR PAYMENT, relating to a the project for Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center) (herein, the "District") is made as of the ____ day of _____, 20__, by Eagle Valley Acquisition LLC, TRIC Acquisition, LLC, Silver Slate LLC, Comstock TRIC Associates, LLC, Supernap Reno, LLC, Tesla, Inc. (fka Tesla Motors, Inc.), 1200 USA Pkwy LLC, and Emerald City Empire, LLC (collectively, the "Developers") the COUNTY OF STOREY, a political subdivision of the State of Nevada (hereinafter "County") and TRI General Improvement District ("TRIGID") a political subdivision of the State of Nevada. The Developers, the County and TRIGID are collectively referred to as Parties.

The Parties hereto certify, acknowledge and agree as follows:

1. TRIGID has completed construction of a portion of the public improvements described in accordance with the approved plans and permits therefor, including any approved amendments and addenda thereto, and in accordance with Sections 2.1.B.1, and 2.1.G of the District Financing Agreement, dated _____, 2018 (the "Agreement"), between the County, TRIGID and the Developers.

2. All of the public improvements comprising the Project have been reviewed and approved by the County or an agent thereof.

3. TRIGID has obtained by final subdivision or parcel maps, or by separate document, all dedications in fee simple and easements relating to the Project in accordance with Section 2.1.C. of the Agreement. The Developer has also transferred title to all public improvements comprising the Project by bill of sale or other appropriate transfer document pursuant to Section 2.1.D. of the Agreement.

4. The Developer has provided all required releases or lien waivers required by Section 2.1.D. of the Agreement related to the Project or furnished a bond or other collateral satisfactory to the County related to the Project pursuant to Section 2.1.D of the Agreement.

5. On the date hereof, the Developers have tendered a Guaranty Bond (as defined in the Agreement) related to Project in the form and amount required by the Agreement.

6. Therefore, in accordance with Section 2.1.E. and 2.1.J. of the Agreement, the County hereby authorizes payment in the amount of \$_____ to TRIGID, such amount being equal to the least of (a) the reasonable actual costs of constructing the Project or portion thereof, as solely determined by the County, (b) the purchase price set forth in Exhibit C to the

Agreement (plus any additional proceeds available to be applied thereto pursuant to Section 2.1.M. of the Agreement, in the County's sole discretion), or (c) the amount of Bond proceeds available to pay the cost of the portion of the Project as solely determined by the County after taking into account any allocation of Bond proceeds and other costs.

7. TRIGID acknowledges and agrees that this Certificate of Acknowledgement only relates to a portion of the Project.

8. The Developers acknowledge and agree that any payment and performance bond(s) required by Section 2.1.I. of the Agreement will remain in full force and effect and will not be released until all improvements guaranteed by said payment and performance bond(s) are completed in accordance with the approved plans, permits, standards, specifications and applicable codes, and other requirements of the County, and accepted for ownership and maintenance by TRiGID or an Applicable Government as determined by the County and signed off by the County.

[The remainder of this page intentionally left blank.]

Exhibit L-2

Form of Certificate of Acknowledgement of Final Payment
(For Full Payment of Project upon Completion—10%)

**CERTIFICATE OF ACKNOWLEDGEMENT OF
PROJECT FOR FINAL PAYMENT**

**SPECIAL ASSESSMENT DISTRICT NO. 01
(TAHOE-RENO INDUSTRIAL CENTER)**

This CERTIFICATE OF ACKNOWLEDGEMENT OF PROJECT FOR PAYMENT, relating to the project for Storey County, Nevada, Special Assessment District No. 01 (Tahoe-Reno Industrial Center) (herein, the "District") is made as of the ____ day of _____, 20__, by and among TRI General Improvement District ("TRIGID"), Storey County (the "County") and the Developers listed therein. The County, TRIGID and the Developers are collectively referred to as Parties.

1. TRIGID has completed construction of the public improvements for the District in accordance with the approved plans and permits therefor, including any approved amendments and addenda thereto, and in accordance with Sections 2.1.B.1 and 2.1.G of the District Financing Agreement, dated _____, 2018 (the "Agreement") between the County, TRIGID and the Developers. Capitalized terms used in this Certificate of Acknowledgement and not otherwise defined have the meanings set forth in the Agreement.

2. All of the public improvements comprising the Project have been reviewed and approved by the County or an agent thereof.

3. TRIGID has transferred by final subdivision or parcel maps, or by separate document, all dedications in fee simple and easements relating to the Project in accordance with Section 2.1.C. of the Agreement. TRIGID has also transferred title to all public improvements comprising the Project by bill of sale or other appropriate transfer document pursuant to Section 2.1.D. of the Agreement.

4. TRIGID has provided all required releases or lien waivers required by Section 2.1.D. of the Agreement related to the Project, or furnished a bond or other collateral satisfactory to the County related to the Project pursuant to Section 2.1.D of the Agreement.

5. On the date hereof, the Developers have tendered a Guaranty Bond (as defined in the Agreement) related to the Project in the form and amount required by the Agreement.

6. Therefore, in accordance with Section 2.1.E. and 2.1.J. of the Agreement, the County hereby authorizes payment in the amount of \$_____ to TRIGID, such amount being equal to 10% of the least of (a) the reasonable actual costs of constructing the Project, as solely determined by the County, (b) the purchase price for the Project set forth in Exhibit C of the Agreement (plus any additional proceeds available to be applied thereto pursuant to Section 2.1.M. of the Agreement, in the County's sole discretion), or (c) the amount of Bond proceeds

available to pay the cost of the Project, as solely determined by the County after taking into account any allocation of Bond proceeds and other costs.

7. TRIGID acknowledges and agrees that any performance bond(s) required by Section 2.1.I. of the Agreement, or as may be required for improvements outside of the District, will remain in full force and effect and will not be released until completion of all improvements guaranteed by said performance bond(s), together with all other improvements are completed in accordance with the approved plans, permits, standards, specifications and applicable codes, and other requirements of the County, and accepted for ownership and maintenance by TRiGID or an Applicable Government as determined by the County and signed off by the County.

[The remainder of this page intentionally left blank.]

Exhibit M
Insurance Requirements

INSURANCE REQUIREMENTS AND FORMS

- A. TRIGID further agrees, as a precondition to the performance of any work under the District Financing Agreement between Storey County, TRIGID, and the "Developers" named therein for Special Assessment District 01 (Tahoe-Reno Industrial Center), hereinafter "Agreement", and as a precondition to any obligation of Storey County to make any payment under this contract, to provide Storey County with a work certificate and/or a certificate issued by an insurer of TRIGID or its contractors, said insurer qualified to underwrite workers' compensation insurance in the state of Nevada in accordance with Nevada Revised Statutes Chapters §616A through 616D, inclusive.
- B. TRIGID agrees to maintain or cause its contractors to maintain required workers' compensation coverage throughout the entire term of the contract. If TRIGID does not maintain or cause its contractors to maintain coverage throughout the entire term of the contract, TRIGID agrees that Storey County may, at any time the coverage is not maintained, order TRIGID to stop work, assess liquidated damages as defined herein, suspend the contract, or terminate the contract.
- C. TRIGID shall furnish not later than **thirty (30) days** after approval of the Agreement by the Storey County Board of County Commissioners, the insurance as indicated below. The certificates for each insurance policy shall be signed by a person authorized by that insurer and licensed by the State of Nevada.
- D. As a condition precedent to receiving payments, TRIGID shall have on file with Storey County current certificates of insurance evidencing the required coverage. Insurance certificates for Storey County should contain the information shown on the sample certificates attached.
- E. Each insurance company's rating as shown in the latest Best's Key Rating Guide shall be fully disclosed and entered on the required certificate of insurance. Storey County requires insurance carriers to maintain a Best's Key Rating of A.VII or higher (i.e., A.VII, A.VIII, A.IX, A.X, etc.). The adequacy of the insurance supplied by TRIGID, including the rating and financial health of each insurance company providing coverage, is subject to the approval of Storey County.
- F. TRIGID shall furnish renewal certificates to Storey County for the required insurance during the period of coverage required by the Agreement. TRIGID will furnish renewal certificates for the same minimum coverage as required in the Agreement. The request for updated renewal certificates will be sent by Storey County to TRIGID 30 calendar days in advance of the expiration date shown on the certificate of insurance. A second request will be sent if the renewal certificate is not received from within **seven business days**. If within 20 calendar days from the date of the request for an updated renewal certificate, the updated certificate has still not been provided, Storey County may declare TRIGID in default of its obligation under this paragraph.
- G. Storey County, its officers, employees, agents, and volunteers, **additionally**, must be expressly covered as insured's with respect to liability arising out of the activities by or on behalf of the named insured in connection with this project.
 - 1. TRIGID's insurance shall be primary as respects Storey County, its officers, employees, agents, and volunteers.
- H. TRIGID's commercial general liability and automobile liability insurance policy shall be endorsed to recognize specifically TRIGID's contractual obligation of additional insured to Storey County. All policies must note that Storey County will be given 30-calendar days advance notice by certified mail "return receipt requested" of any policy changes, cancellations, or any erosion of insurance limits. Either a copy of the additional insured endorsement, or a copy of the policy language that gives Storey County automatic additional insured status must be attached to any certificate of insurance.

- I. All deductibles and self-insured retentions shall be fully disclosed in the Certificate of Insurance. No deductible or self-insured retention may exceed \$25,000.
- J. If aggregate limits are imposed on the insurance coverage, then the amount of such limits must not be less than **\$2,000,000** per occurrence or per accident. All aggregates must be fully disclosed and the amount entered on the required certificate of insurance. TRIGID's insurer must notify Storey County of any erosion of the aggregate limits. The "per occurrence" limits of insurance required herein must be maintained in full, irrespective of any erosion of aggregate.
- K. TRIGID shall obtain and maintain, for the duration of the Project to be built under the Agreement or longer period if specified herein, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by TRIGID, its agents, representatives, employees or subcontractors of any tier. TRIGID is required to obtain and maintain the following coverage:
1. Commercial General Liability: Unless otherwise provided in the Agreement Documents or waived by Storey County, Commercial General Liability, including Asbestos Abatement Liability coverage shall be on "occurrence" basis only and not "claims made." The coverage must be provided on either an ISO Commercial General Liability form or an ISO Broad Form Comprehensive General Liability (including a Broad Form CGL Endorsement) insurance form. Policies must contain a primary and non-contributory clause and must contain a waiver of subrogation endorsement. Any exceptions to coverage must be fully disclosed on the required certificates. If other than these forms are submitted as evidence of compliance, complete copies of such policy forms must be submitted to Storey County within **seven business days** after notice of award. Policies must include, but need not be limited to, coverage for bodily injury, property damage, personal injury, Broad Form property damage, premises and operations, severability of interest, products and completed operations, contractual and independent contractors, whether the insurance for Asbestos Abatement Liability Coverage is supplied as an endorsement, or under a separate policy of insurance, the coverage must be evidenced on the Certificate of Insurance required in the Agreement. TRIGID shall maintain limits of no less than **\$1,000,000** combined single limit per occurrence for bodily injury (including death), personal injury and property damages.
 2. Auto Liability: Unless otherwise provided in the Agreement Documents or waived by Storey County, Auto Liability must provide coverage for claims for damage due to bodily injury or death of any person, or property damage arising out of the ownership, maintenance or use of **any motor vehicles whether owned, hired or non-owned**. TRIGID shall maintain limits of no less than **\$1,000,000** combined single limit "per accident" for bodily injury and property damage.
 3. Builders Risk / Course of Construction: Unless otherwise provided in the Agreement Documents or waived by Storey County, TRIGID shall purchase and maintain property insurance (builders' risk) upon the work at the site to the full insurable value. This insurance shall include the interests of Storey County, Storey County, Storey County's designated representative, TRIGID, Subcontractors, and Subcontractors of any tier. Coverage shall be written on forms to include Fire, Extended Coverage, and Special Form including theft. TRIGID is responsible for the deductible for any claim made against the policy.
- L. If TRIGID fails to maintain any of the insurance coverage required herein, then Storey County will have the option to declare TRIGID in breach, or may purchase replacement insurance or pay the premiums that are due on existing policies in order that the required coverage may be maintained. TRIGID is responsible for any expenses paid by Storey County to maintain such insurance and Storey County may collect the same from TRIGID or deduct the amount paid from any sums due TRIGID under the Agreement.

- M. The insurance requirements specified herein do not relieve TRIGID of its responsibility or limit the amount of their liability to Storey County or other persons and TRIGID is encouraged to purchase such additional insurance, as it deems necessary.
- N. TRIGID is responsible for and must remedy all damage or loss to any property, including property of Storey County, caused in whole or in part by TRIGID, any subcontractor or anyone employed, directed or supervised by TRIGID. TRIGID is responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the work.
- O. TRIGID shall pay all premiums and costs of insurance.
- P. Regardless of the coverage provided by any insurance policy, TRIGID shall, in addition to the provisions in Article IV, Section 4.5 of the Agreement, indemnify, defend and hold Storey County harmless from any and all claims, demands, actions, attorneys' fees, costs, and expenses based upon or arising out of any acts, errors, omissions, fault or negligence of TRIGID or its principals, employees, subcontractors or other agents while performing services under this Agreement. TRIGID shall indemnify, defend and hold harmless Storey County and others specified from any attorney's fees or other costs of defense, even if the allegations of the claim are groundless, false or fraudulent.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy (ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER INSURANCE BROKER'S NAME ADDRESS	CONTACT NAME:	
	PHONE (A/C No. Ext): BROKER'S PHONE NUMBER	FAX (A/C No.) BROKER'S FAX NUMBER
	E-MAIL ADDRESS: BROKER'S EMAIL ADDRESS	
	INSURER(S) AFFORDING COVERAGE NAIC #	
INSURED CONTRACTOR'S NAME ADDRESS PHONE & FAX NUMBERS	INSURER A:	
	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES NUMBER:

CERTIFICATE NUMBER:

REVISION

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADD'L INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YY)	POLICY EXP (MM/DD/YY)	LIMITS	
	GENERAL LIABILITY						EACH OCCURRENCE	\$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 50,000
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						MED EXP (Any one person)	\$ 5,000
	ASBESTOS ABATEMENT LIABILITY	X					PERSONAL & ADV INJURY	\$ 1,000,000
	GENT'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	\$ 2,000,000
	<input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC						PRODUCTS - COMP/OP AGG	\$ 2,000,000
	AUTOMOBILE LIABILITY						DEDUCTIBLE MAXIMUM	\$ 25,000
	<input checked="" type="checkbox"/> ANY AUTO						COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
	<input type="checkbox"/> ALL OWNED AUTOS	X					BODILY INJURY (Per person)	\$
	<input type="checkbox"/> SCHEDULED AUTOS						BODILY INJURY (Per accident)	\$
	<input type="checkbox"/> HIRED AUTOS						PROPERTY DAMAGE (Per accident)	\$
	<input type="checkbox"/> NON-OWNED AUTOS							\$
	WORKER'S COMPENSATION AND EMPLOYERS' LIABILITY						DEDUCTIBLE MAXIMUM	\$ 25,000
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	N/A					<input type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER	\$
	describe under DESCRIPTION OF OPERATIONS below						E.L. EACH ACCIDENT	\$
							E.L. DISEASE - E.A. EMPLOYEE	\$
							E.L. DISEASE - POLICY LIMIT	\$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

BID NO. _____ STOREY COUNTY, ITS OFFICERS, EMPLOYEES AND VOLUNTEERS, ADDITIONALLY, THE STATE OF NEVADA, STOREY COUNTY, NEVADA U.S. BUREAU OF LAND MANAGEMENT (BLM), STOREY COUNTY SCHOOL DISTRICT (CCSD), ENTER OTHER, ARE INSURED WITH RESPECT TO LIABILITY ARISING OUT OF THE ACTIVITIES BY OR ON BEHALF OF THE NAMED INSURED IN CONNECTION WITH THIS PROJECT.

CERTIFICATE HOLDER

CANCELLATION

STOREY COUNTY, NEVADA
C/O

P.O. BOX
VIRGINIA CITY, NV

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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ACORD 25 (2010/05)

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POLICY NUMBER: _____
LIABILITY

COMMERCIAL GENERAL AND AUTOMOBILE

BID NUMBER AND PROJECT NAME: _____

THIS ENDORSEMENT CHANGED THE POLICY. PLEASE READ IT CAREFULLY
ADDITIONAL INSURED – DESIGNATED PERSON OR
ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY AND AUTOMOBILE LIABILITY COVERAGE PART.

SCHEDULE

Name of Person or Organization:

STOREY COUNTY, NEVADA
C/O
[ADDRESS]

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

WHO IS AN INSURED (Section II) is amended to include as an insured the person or organization shown in the Schedule as an insured but only with respect to liability arising out of your operations or premises owned by or rented to you.

STOREY COUNTY, ITS OFFICERS, EMPLOYEES AND VOLUNTEERS, ADDITIONALLY, THE STATE OF NEVADA, DEPARTMENT OF TRANSPORTATION, OR U.S. BUREAU OF LAND MANAGEMENT (BLM), OR STOREY COUNTY SCHOOL DISTRICT (CCSD), OR ENTER OTHER, ARE INSURED WITH RESPECT TO LIABILITY ARISING OUT OF THE ACTIVITIES BY OR ON BEHALF OF THE NAMED INSURED IN CONNECTION WITH THIS PROJECT.



Storey County Board of County Commissioners Agenda Action Report

Meeting date: Oct 2, 2018

Estimate of time required: 5-15 min.

Agenda: Consent ☐ Regular agenda ☒ Public hearing required ☐

1. **Title:** Discussion and possible action on resolution 18-513 provisionally ordering an undertaking for a tax increment area formed pursuant to Nevada Revised Statutes chapter 278C; setting a time and place for a hearing on the undertaking; and providing other matters related thereto.

2. **Recommended motion:** Approve resolution 18-513 provisionally ordering an undertaking for a tax increment area formed pursuant to Nevada Revised Statutes chapter 278C; setting a time and place for a hearing on the undertaking; and providing other matters related thereto.

3. **Prepared by:**

Department:

Telephone:

4. **Staff summary:**

5. **Supporting materials:** Resolution is attached.

6. **Fiscal impact:**

Funds Available:

Fund:

____ Comptroller

7. **Legal review required:**

____ District Attorney

8. **Reviewed by:**

____ Department Head

Department Name: Commissioner's Office

____ County Manager

Other agency review: _____

9. **Board action:**

☐ Approved
☐ Denied

☐ Approved with Modifications
☐ Continued

Agenda Item No.

20

Summary - A resolution provisionally ordering an undertaking concerning a tax increment area formed pursuant to Nevada Revised Statutes Chapter 278C.

RESOLUTION NO. 18-513

A RESOLUTION PROVISIONALLY ORDERING AN UNDERTAKING FOR A TAX INCREMENT AREA FORMED PURSUANT TO NEVADA REVISED STATUTES CHAPTER 278C; SETTING A TIME AND PLACE FOR A HEARING ON THE UNDERTAKING; AND PROVIDING OTHER MATTERS RELATED THERETO.

WHEREAS, the Board of County Commissioners (the "Board") of Storey County, Nevada (the "County") has received a request from Eagle Valley Acquisition LLC, TRIC Acquisition LLC, Silver Slate LLC, Comstock TRIC Associates LLC, Supernap Reno LLC, Tahoe-Reno Industrial Center LLC, Tesla Motors Inc., 1200 USA Parkway, Emerald City Empire LLC (collectively, the "Owners") to order an undertaking pursuant to Nevada Revised Statutes ("NRS") Chapter 278C (the "Act") for a water project as defined in NRS 278C.140 (the "Undertaking") and to pay with tax increment revenues, in whole or in part, (i) the costs of such an Undertaking, as more fully provided in the Act, specifically NRS 278C.150, 278C.157 and NRS 278C.250, including payments under contracts with the Owners to reimburse the Owners for costs incurred by the Owners in connection with the Undertaking, and (ii) advances by the County pursuant to NRS 360.990(3)(a)(4) for the cost of an Undertaking, including any uncommitted balance of the general fund of the County utilized for the repayment of general obligations bonds of the State of Nevada in accordance with NRS 360.990(3)(a)(4) and all appurtenances and incidentals necessary, useful or desirable, including real and other property therefor, which is more particularly described (with all segment lengths to be current approximations subject to minor adjustment); and

WHEREAS, the Undertaking constitutes a "natural resources project" pursuant to NRS 278C.075(4); and

WHEREAS, on September 5, 2018, the Interim Finance Committee approved the Undertaking in accordance with NRS 278C.157; and

WHEREAS, on the date hereof, the Board adopted a resolution ordering the County's engineer to prepare preliminary plans, cost estimates and related items to pay the costs of the Undertaking; and

WHEREAS, Farr West Engineering, as the County's engineer (the "Engineer"), has prepared such preliminary plans, cost estimates and related items to pay the costs of the Undertaking and they are on file with the County Clerk; and

WHEREAS, the Board has reviewed such preliminary plans, cost estimates and related items to pay the costs of the Undertaking; and

WHEREAS, the Board intends to enter into a contract with the Owners agreeing to pay certain tax increment revenues from the tax increment account created by NRS 278C.250 to the Owners for costs incurred by such Owners in connection with the Undertaking.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF THE STOREY COUNTY, NEVADA:

Section 1. The Board hereby approves the preliminary plans, cost estimates and related items to pay the costs of the Undertaking prepared by the County's Engineer.

Section 2. On October 2, 2018, at 10:00 a.m. at the Storey County Commission Chambers, 26 South B Street, Virginia City, Nevada (i.e., a time at least 20 days after the adoption of this Resolution), the Board will consider the ordering of the Undertaking and will hear all complaints, protests, and objections that may be made in writing, and filed as hereafter provided, or made verbally at the hearing (the "Hearing"), concerning the same, by the Federal Government, the State of Nevada, any public body, or any natural person who resides in

the County or owns taxable personal or real property in the County, or any representative of any such natural person (each an "Interested Party" and collectively, the "Interested Parties"). Any Interested Party may file a written complaint, protest, objection or other comment about the Undertaking, and may appear before the Board and be heard as to the propriety and advisability of ordering the Undertaking. Twenty (20) days' notice in writing of the time and place of the Hearing shall be provided by postage prepaid, first-class mail to the last known Interested Parties who reside within the proposed tax increment area (the "Tax Increment Area") and who own property within the proposed Tax Increment Area. The names and addresses of such Interested Parties shall be obtained from the records of the Storey County Assessor or from such other sources as the County Clerk or the County's engineer deem reliable. Notice of the Hearing shall also be given by posting in three public places at or near the site of the Undertaking at least twenty (20) days prior to the Hearing. Proof of such mailing and posting shall be made by the affidavit of the County Clerk, such proof to be filed with and retained by the County Clerk pursuant to NRS 278C.180 at least until all bonds and any other securities, if any, pertaining to the tax increment account for the proposed Tax Increment Area have been paid in full, or any claim is barred by a statute of limitations. Notice of the Hearing shall also be given by publication in the Comstock Chronicle, a daily newspaper published in Storey County and of general circulation in the County once each week for three (3) consecutive weekly publications, by three (3) weekly insertions, the first publication in such newspaper to be at least fifteen (15) days prior to the date of the Hearing. Not less than fourteen (14) days shall intervene between the first publication and the last publication in such newspaper. Proof of such mailing, posting and publication shall be made by the affidavit of the County Clerk, in the case of mailing and posting, and by the publisher in the case of publication, such proofs to be filed with and retained

by the County Clerk pursuant to NRS 278C.180 at least until all bonds and any other securities, if any, pertaining to the tax increment account for the proposed Tax Increment Area have been paid in full, or any claim is barred by a statute of limitations. The notice of the Hearing shall be in substantially the following form:

(Form of Notice)

**NOTICE OF HEARING ON
A PROPOSED UNDERTAKING CONCERNING A TAX
INCREMENT AREA FORMED PURSUANT TO NEVADA
REVISED STATUTES CHAPTER 278C**

NOTICE IS HEREBY GIVEN that the Board of County Commissioners of the Storey County, Nevada (the "Board" and the "County," respectively) will hold a public hearing on a proposed undertaking (the "Undertaking") concerning a tax increment area to be formed pursuant to Nevada Revised Statutes ("NRS") Chapter 278C (the "Tahoe-Reno Industrial Center Tax Increment Area") on October 2, 2018, at 10:00 a.m. at the Storey County Commission Chambers, 26 South B Street, Virginia City, Nevada. At such hearing, the Board will consider the ordering of the Undertaking and will hear all complaints, protests and objections that may be made in writing and filed as hereafter provided, or made verbally at the hearing, concerning the same by the Federal Government, the State of Nevada, any public body, or any natural person who resides in the County or owns taxable personal or real property in the County, or any representative of any such natural person.

The Undertaking consists of the acquisition, improvement and equipment of certain improvements for the Tahoe-Reno Industrial Center Tax Increment Area to include without limitation a water project as defined in NRS 278C.140 and to pay with tax increment revenues, in whole or in part, (i) the costs of such an Undertaking, as more fully provided in the Act, specifically NRS 278C.150, 278C.157 and NRS 278C.250, including payments under contracts with the Owners to reimburse the Owners for costs incurred by the Owners in connection with the Undertaking, and (ii) advances by the County pursuant to NRS 360.990(3)(a)(4) for the cost of an Undertaking, including any uncommitted balance of the general fund of the County utilized for the repayment of general obligations bonds of the State of Nevada in accordance with NRS 360.990(3)(a)(4) and all appurtenances and incidentals necessary, useful or desirable, including real and other property therefor, which is more particularly described (with all segment lengths to be current approximations subject to minor adjustment) as set forth below:

This undertaking consists of the acquisition and improvement of a water project consisting of an approximately 13 mile reclaim water pipeline of an approximate

diameter of 24 inches to deliver at a minimum 4,000 acre-feet of treated wastewater effluent from the Truckee Meadows Water Reclamation Facility in Sparks, Nevada, to the boundary of the Tahoe-Reno Industrial Center, including facilities appertaining to a municipal reclaim water system for the distribution of reclaim water, including without limitation pumping plants and stations, valves, tanks, connections, hydrants, water transmission mains, pipes, lines, laterals, and service pipes, pumps, meters, apparatus, tools, equipment, fixtures, structures, buildings, and all appurtenances and incidentals necessary, useful or desirable for the acquisition, transportation and distribution of reclaim water for commercial and industrial use (or any combination thereof), including real and other property therefor.

The preliminary estimate of the cost of the Undertaking, including all incidental costs, as stated in the preliminary plans, estimate of costs and statements of the County's engineer filed with the County Clerk pursuant to Nevada Revised Statutes 278C.160 is \$34,842,578.71 consisting of assessments levied and paid for the costs of the Undertaking and an amount of \$157,421.29 to be paid in cash in lieu of an assessment, plus interest paid on the assessments levied not to exceed the maximum interest rate under NRS 271.415 plus 1% per annum for the costs of the Undertaking and advances by the County pursuant to NRS 360.990(3)(a)(4) for the cost of an Undertaking, including any uncommitted balance of the general fund of the County utilized for the repayment of general obligations bonds of the State of Nevada in accordance with NRS 360.990(3)(a)(4).

The boundaries of the proposed Tahoe-Reno Industrial Center Tax Increment Area pertaining to the Undertaking shall be described by the following assessor parcel numbers ("APNs"):

005-011-45	005-011-58	005-001-84
005-011-46	005-091-29	005-051-29
005-011-48	005-091-42	005-051-30
005-011-49	005-091-45	005-051-53
005-011-50	005-091-47	005-051-57
005-011-85	005-091-49	005-101-36

005-011-89	005-091-52	005-101-39
005-071-08	005-111-48	005-101-40
005-071-12	005-111-12	005-011-65
005-071-57	005-111-66	005-011-66
005-081-07	005-111-67	005-011-70
005-081-10	005-011-81	

The last finalized amount of the assessed valuation of the taxable property in the proposed Tahoe-Reno Industrial Center Tax Increment Area was \$6,675,810. The amount of taxes, including any unpaid taxes, whether or not delinquent, resulting from the last taxation of the property in the proposed Tahoe-Reno Industrial Center Tax Increment Area, based upon the records of the Storey County Assessor and the Storey County Treasurer was \$231,030.

The total amount of taxes imposed on the sale or use of tangible personal property in the proposed Tahoe-Reno Industrial Center Tax Increment Area in the immediately preceding fiscal year was \$0, based upon the records of the State of Nevada Department of Taxation (the "Department of Taxation"). The total amount of taxes imposed pursuant to NRS 363A.130 and 363B.110 on employers in the proposed Tahoe-Reno Industrial Center Tax Increment Area in the immediately preceding fiscal year was \$0, based upon the records of the Department of Taxation.

No portion of the expense of the Undertaking will be paid with the proceeds of securities issued by the County pursuant to NRS Chapter 278C in anticipation of tax proceeds to be credited to the tax increment account related thereto and payable wholly or in part therefrom. The entire expense of the Undertaking (except for an amount of \$157,421.29 to be paid in cash in lieu of an assessment) is expected to be paid from certain tax increment revenues credited to the tax increment account. The remaining portion of the expense of the Undertaking, if any, is expected to be financed by Eagle Valley Acquisition LLC, TRIC Acquisition LLC, Silver Slate LLC, Comstock TRIC Associates LLC, Supernap Reno LLC, Tahoe-Reno Industrial Center LLC, Tesla Motors Inc., 1200 USA Parkway, Emerald City Empire LLC (collectively, the "Owners").

The estimated amount of the tax proceeds to be credited annually to the tax increment account pertaining to paying the costs of the Undertaking during the duration of the proposed Tahoe-Reno Industrial Center Tax Increment Area is anticipated to range from \$2,550 in 2020 to \$100,000,000 in 2043. It is not anticipated that any net revenues derived annually from the operation of the project or projects pertaining to the Undertaking will be pledged for the payment of the Undertaking.

The Board hereby finds, determines, and declares that the estimated tax proceeds to be credited to the tax increment account will be fully sufficient to pay costs incurred in connection with the Undertaking (except for an amount of \$157,421.29 to be paid in cash in lieu of an assessment).

The Board requests that any interested person wishing to make a complaint, protest or objection in writing, make such complaint, protest or objection in writing at the office of the County Clerk of Storey County, at her office located at 26 S. B St. Drawer D, Virginia City, Nevada, at least three (3) days before the time set for such hearing, i.e., on or before September 28, 2018.

By order of the Board of County Commissioners of Storey County, Nevada, and dated this September 6, 2018.

/s/ Vanessa Stephens
County Clerk

(End of Form of Notice)

Section 3. The officers of the County are authorized and directed to take all action necessary to effectuate the provisions of this Resolution.

Section 4. All action, proceedings and matters previously taken, had and done by the County and the officers of the County (not inconsistent with the provisions of this Resolution) concerning the proposed tax increment area and the Undertaking, be, and the same hereby are, ratified, approved and confirmed.

Section 5. All bylaws, orders and resolutions, or parts thereof, in conflict with this Resolution, are repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, or resolution, or part thereof, previously repealed.

Section 6. Passage of this Resolution does not obligate the County to create the tax increment area, issue any securities, or to give any land use or other approvals to any projects in the tax increment area or elsewhere.

Section 7. If any section, paragraph, clause or provision of this Resolution shall be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this resolution.

Section 8. The Board has determined and does hereby declare that this resolution shall be in effect upon its passage in accordance with law.

PASSED, ADOPTED AND APPROVED this September 6, 2018.

(SEAL)

Attest:

Chairman
Board of County Commissioners

County Clerk

STATE OF NEVADA)
) ss.
COUNTY OF STOREY)

I am the duly appointed, qualified and acting County Clerk of Storey County (the "County"), Nevada, and in the performance of my duties as County Clerk and ex officio Clerk of its Board of County Commissioners (the "Board"), do hereby certify:

1. The foregoing pages are a true and correct copy of a resolution adopted at a regular meeting of the Board held on September 6, 2018.

2. The adoption of the Resolution was duly moved and seconded and the Resolution was adopted by an affirmative vote of a majority of the members of the Board as follows:

Those Voting Aye:

Those Voting Nay:

Those Absent:

Those Abstaining:

3. The members of the Board were present at such meeting and voted on the passage of such Resolution as set forth above.

4. The resolution was approved and authenticated by the signature of the Chairman of the Board, sealed with the County seal, attested by the Clerk and recorded in the minutes of the Board.

5. All members of the Board were given due and proper notice of the meeting. Public notice of the meeting was given and the meeting was held and conducted in full compliance with the provisions of NRS 241.020. A copy of the notice of meeting was posted not later than 9:00 a.m. at least 3 working days in advance of the meeting at:

- (i) Virginia City Post Office
- (ii) Storey County Courthouse
- (iii) Virginia City Fire Station
- (iv) Virginia City Highlands Fire Station
- (v) Lockwood Fire Station

6. A copy of the notice was posted on the County's website and on the State of Nevada's official website no later than 9:00 a.m. on the third working day prior to the meeting.

7. A copy of the notice was given to each person, if any, who has requested notice of the meetings of the Board in the same manner in which notice is required to be given to a member of the Board. Such notice, if mailed, was delivered to the postal service no later than 9:00 a.m. on the third working day prior to the meeting.

8. Upon request, the Board provides at no charge, at least one copy of the agenda for its public meetings, any proposed Resolution which will be discussed at the public meeting, and any other supporting materials provided to the Board for an item on the agenda, except for certain confidential materials and materials pertaining to closed meetings, as provided by law.

9. A copy of the notice so given of the meeting of the Board held on September 6, 2018 is attached to this certificate as Exhibit A.

IN WITNESS WHEREOF, I have hereunto set my hand on September 6, 2018.

County Clerk

EXHIBIT A

(Attach copy of posted Agenda)



Storey County Board of County Commissioners Agenda Action Report

Meeting date: Oct 2, 2018

Estimate of time required: 15 minutes

Agenda: Consent ☐ Regular agenda ☒ Public hearing required ☐

1. **Title:** Consideration and possible approval of agreement between Storey County and TRI Center LLC (TRI) by which should County have to utilize the uncommitted portion of its general fund to make payments on the bond secured by the Storey County Special Assessment District No. 01 (SAD) TRI agrees that the amounts so provided will be credited against the vouchers issued by County to reimburse TRI for the costs of providing public infrastructure at the rate of 1.5 to 1. .

2. **Recommended motion:** I _____ (Commissioner) move to approve the agreement between Storey County and TRI by which TRI agrees that if County expends funds from the uncommitted portion of its general fund to make payments on the bond secured by the SAD, the amount of these funds will be credited against the vouchers issued by County to reimburse TRI for the costs of providing public infrastructure at the rate of 1.5 to 1..

3. **Prepared by:** Keith Loomis

4. **Department:** District Attorney's Office

Telephone: 847-0964

5. **Staff summary:** If the proceeds of assessment liens in Storey County Special Assessment District No. 01 and other sources of revenue are insufficient to make the bond payments secured by the SAD, as they become due, then the County would have to make up the shortfall in those payments to the extent that there are uncommitted monies available within the County's general fund. The proposed agreement provides that if the uncommitted portion of the general fund is utilized to make the bond payments, then to the extent that those funds are utilized, these funds will be credited against the outstanding vouchers issued by County to reimburse TRI for the costs of constructing public infrastructure at the rate of 1.5 to 1. Thus if County pays one million dollars from its general fund for bond payments, one million five hundred thousand dollars will be credited against the payments due on the vouchers.

6. **Supporting materials:** Proposed agreement between Storey County and TRI

7. **Fiscal impact:**

Funds Available:

Fund:

____ Comptroller

8. **Legal review required:**

X District Attorney

9. **Reviewed by:**

 Department Head
County Manager

Department Name: _____

Other agency review: _____

10. **Board action:**

☐ Approved
☐ Denied

☐ Approved with Modifications
☐ Continued

Agenda Item No. _____

REIMBURSEMENT AGREEMENT

This agreement is entered into as of the date of the last person executing this agreement and is made between the County of Storey, a political subdivision of the State of Nevada (County) and Tahoe Reno Industrial Center, LLC, a Nevada limited liability company (TRI).

BACKGROUND

TRI is the primary developer of an industrial park in Storey County known as the Tahoe Reno Industrial Center (TRI Center). This development has occurred pursuant to a Development Agreement entered into between County and TRI dated February 1, 2000, a Memorandum of which is recorded in the offices of the Storey County Recorder as File No. 86804 (Development Agreement). Pursuant to the Development Agreement, TRI constructs public infrastructure at its own cost and then seeks reimbursement for these costs from County. The method by which TRI seeks to recoup its costs is set forth in the Development Agreement and in particular, Exhibit E to that agreement referred to as the TRI Public Private Partnership Capital Improvement Plan. Basically, the Development Agreement requires that County approve the costs incurred by TRI in constructing the infrastructure and then issue a voucher for the payment of the costs. The vouchers are paid by County from revenues determined by a formula set out in the Development Agreement. At present there are 16 outstanding vouchers requiring the payment of approximately \$42,189,000.00 to TRI.

Water and sewer systems within the TRI Center were constructed by TRI and dedicated to the TRI General Improvement District (TRIGID). The TRIGID has entered into an agreement with the Cities of Reno and Sparks (the Cities) by which TRIGID is obligated to construct an effluent pipeline from the Truckee Meadows Water Reclamation Facility (TMWRF) to the TRI Center. The Cities will then supply up to 4,000 acre feet of treated effluent water per year to TRIGID for distribution to customers within TRI Center. This effluent water will allow landowners within the TRI Center to continue to develop their properties. It is estimated that the cost of building the effluent pipeline will be approximately thirty-five million dollars (\$35,000,000.00). At present, TRI is obliged to

construct the pipeline at its cost, subject to reimbursement from entities benefitting from the effluent water, and to dedicate it to the TRIGID.

County has submitted an economic development financing proposal to the Governor's Office of Economic Development by which County seeks to sell thirty-five million dollars (\$35,000,000.00) worth of bonds to the State of Nevada. The State of Nevada will in turn issue its general obligation bonds to qualified investors. The purpose of the proposal is to obtain the funds to construct the effluent pipeline from TMWRF to the TRI Center. The acceptance of the proposal will benefit TRI and land owners within the TRI Center by reducing the cost of constructing the pipeline to them or by reducing their obligations to reimburse TRI for its costs of construction.

It is intended that if the bonds are issued that they will be repaid by establishing a special assessment district within the TRI Center. The parcels benefitting from the effluent water will be assessed an amount sufficient to repay the bonds as they become due. If the amount collected as a result of the assessments is insufficient to pay the bonds as they become due, there are a variety of other resources available such as a reserve account established from the bond proceeds and the proceeds from foreclosures on assessment liens to pay the bonds. If these other resources are insufficient to pay the bonds as they become due, then, to the extent that there is an uncommitted balance in County's general fund, that uncommitted balance must be used to make up any shortfall in the bond payments. It is the use of this uncommitted balance of County's general fund that has led to the execution of this agreement.

It is proposed that to the extent that County uses its uncommitted balance of its general fund to make payments on the debt represented by the bonds, that County will be entitled to credit this amount against its debt due on the vouchers issued to TRI at the rate of 1.5 to 1.

NOW THEREFORE IS IT HEREBY AGREED AS FOLLOWS:

1. **Obligation of Tahoe Reno Industrial Center LLC.** The obligation of TRI arises when bonds are issued by County which are payable from

assessments on lands within the special assessment district in TRI Center and the proceeds of the assessments and other resources are insufficient to meet the bond payments as they arise.

- a. When the proceeds of assessments and other resources are insufficient to pay the debt associated with the special assessment district bonds, the County will be required to use its general fund to the extent that there is an uncommitted balance in its general fund to make up the shortfall in the monies available to pay the bonds.
- b. TRI agrees that in such circumstance the amount of monies provided by County from its general fund will be credited against the debt owed by County to TRI as represented by the vouchers issued to TRI by County at the rate of 1.5 to 1. That is, for each dollar taken from County's general fund to pay for the amount owed on the special assessment district bonds, one dollar and fifty cents will be credited against the remaining amount due to TRI under the vouchers issued by County.
- c. The amount to be credited against the vouchers will be credited against the next payment due on the vouchers as determined by the formula set forth in the Development Agreement. For example, if County paid one million dollars from its general fund towards the amount due on special assessment district bonds, the amount of one million five hundred thousand dollars will be credited against the next payment due on the vouchers issued to TRI by County.

2. Obligations of Storey County.

- a. County will provide to TRI an accounting of the amount it was required to pay from the uncommitted portion of its general fund to meet obligation to make periodic payments on the special assessment district bonds. This accounting will be provided semi-annually within thirty (30) days of having to expend monies from its general fund for the bond payments. County will also provide information as to the amount it will credit against the vouchers issued to TRI and keep an accounting of the remaining debt due on the vouchers.

- b. In the event County is required to pay from the uncommitted portion of its general fund to meet the obligation to make periodic payments on the special assessment district bonds, and the County applies a credit against TRI's vouchers as specified in Section 1 above, then subsequently County receives reimbursement for its payment from the uncommitted portion of its general fund, County shall debit the amount of said reimbursement to TRI vouchers at the rate of one to one. For example, if County receives one million dollars in reimbursement, one million dollars will be credited to the vouchers..
 - c. In the event County is required to pay from the uncommitted portion of its general fund to meet the obligation to make periodic payments on the special assessment district bonds, and the County applies a credit against TRI's vouchers as specified in Section 1 above, County hereby assigns to TRI any claim or cause of action against the party or parties responsible and legally liable to County for causing the proceeds to the assessments to be insufficient to meet bond payments as they arise.
- 3. **Term of Contract.** The term of this contract shall last for so long as there are special assessment district bonds upon which payments must be made. Once the bonds have been paid in full, this Agreement will be of no further force or effect.
- 4. **Miscellaneous**
 - a. **PROPER AUTHORITY.** The parties hereto represent and warrant that the person executing this Contract on behalf of each party has full power and authority to enter into this Contract.
 - b. **Modification of Contract.** This Agreement constitutes the entire agreement between the parties and may only be modified by a written amendment signed by the parties .

- c. **Construction of Contract.** All disputes arising out of or related to this Contract will be governed by the laws of the state of Nevada, with venue in the First Judicial District Court in and for Storey County Nevada.
- d. **Counterparts and Facsimile Signatures.** This Agreement may be executed in two or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each party and delivered to the other party, it being understood that all parties need not sign the same counterpart. This Agreement may be executed by facsimile signatures.
- e. **NO INTERPRETATION AGAINST DRAFTER.** Each party recognizes that this Agreement is a legally binding contract and acknowledges that such party has had the opportunity to consult with legal counsel of choice. In any construction of the terms of this Agreement, the same shall not be construed against either party on the basis of that party being the drafter of such terms.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the dates hereafter set forth.

(Signatures on next page)

TAHOE-RENO INDUSTRIAL CENTER LLC, a Nevada limited liability company

By: Norman Properties, Inc. a California Corporation , Managing Member

DON ROGER NORMAN
President

Date: _____

COUNTY OF STOREY, a political subdivision of the State of Nevada

By: _____

Marshal McBride

Chairman

Board of County Commissioners of Storey County

Date: _____

ATTEST:

Vanessa Stephens
Clerk/Treasurer of Storey County



Storey County Board of County Commissioners Agenda Action Report

Meeting date:
10-2-18

Estimate of time required: 0 - 5

Agenda: Consent ☐ Regular agenda ☒ Public hearing required ☐

1. **Title:** Business License Second Readings -- Approval

2. **Recommended motion:** Approval

3. **Prepared by:** Melissa Field

Department: Community Development

Telephone: 847-0966

4. **Staff summary:** Second readings of submitted business license applications are normally approved unless, for various reasons, requested to be continued to the next meeting. A follow-up letter noting those to be continued or approved will be submitted prior to the Commission Meeting. The business licenses are then printed and mailed to the new business license holder.

5. **Supporting materials:** See attached Agenda Letter

6. **Fiscal impact:**

Funds Available:

Fund:

___ Comptroller

7. **Legal review required:**

___ District Attorney

8. **Reviewed by:**

☒ Department Head

Department Name:

___ County Manager

Other agency review: _____

9. **Board action:**

☐ Approved
☐ Denied

☐ Approved with Modifications
☐ Continued

Agenda Item No. 22

Storey County Community Development

Business Licensing

P O Box 526 • Virginia City NV 89440 • (775) 847-0966 • Fax (775) 847-0935 • mfield@storeycounty.org

To: Vanessa Stephens, Clerk's Office
Pat Whitten, County Manager

September 10, 2018
Via email

Fr: Melissa Field

Please add the following item(s) to the **October 2, 2018** COMMISSIONERS Agenda:

Storey County Building Department has inspected and found that the following businesses meet code requirements necessary to operate in the county:

LICENSING BOARD SECOND READINGS

- A. COLEMAN ELECTRICAL CO / Contractor – 2665 Billys Rd ~ Minden, NV**
- B. NW HOLDING & RECOVERY, LLC / General – 4900 Meadows Rd ~ Lake Oswego, OR**
- C. GLOBAL RISK CONSULTANTS CORP / General – 100 Walnut Ave ~ Clark, NJ**
- D. SAVANAH LEE, DBA: ACCESS TRANSFORMATION / MT – 4255 Wedekind Rd ~ Sparks, NV**
- E. MEN WELDING FIRE INC / General – 1485 W. 4th St. ~ Reno, NV**
- F. ZUNESIS INC / General – 8375 S. Willow St ~ Lonetree, Co**
- G. LARSON DESIGN GROUP, INC / General – 1000 Commerce Park Dr ~ Williamsport, PA**
- H. SNVRE, INC / General - 440 USA Pkwy ~ McCarran, NV**
- I. CEMEX CONSTRUCTION MATERIALS PACIFIC / General – 1000 Peru Dr ~ Sparks, NV**

Ec: Community Development
Commissioners' Office

Planning Department
Comptroller's Office

Sheriff's Office.