



# STOREY COUNTY BOARD OF COUNTY COMMISSIONERS MEETING

3/30/2023 10:00 AM  
26 SOUTH B STREET, VIRGINIA CITY, NV

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## **SPECIAL MEETING MINUTES**

JAY CARMONA  
*CHAIRMAN*

CLAY MITCHELL  
*VICE-CHAIRMAN*

LANCE GILMAN  
*COMMISSIONER*

ANNE LANGER  
*DISTRICT ATTORNEY*

JIM HINDLE  
*CLERK-TREASURER*

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**Roll Call:** Commission Chairman Jay Carmona, Commission Vice-Chair Clay Mitchell, Commissioner Lance Gilman, Recorder Dru McPherson, Sheriff Mike Cullen, County Manager Austin Osborne, Deputy District Attorney Keith Loomis, Comptroller Jennifer McCain, IT Director James Deane, Fire Chief Jeremy Loncar, Public Works Director Jason Wierzbicki, Operations and Project Manager Mike Northan, Communications Director Becky Parsons, Business Development Manager Lara Mather, Community Relations Director Honey Menefee, Community Development Director Pete Renaud, Senior Center Director Stacy York, Assistant Sheriff Eric Kern.

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### **1. CALL TO ORDER SPECIAL MEETING AT 10:00 A.M.**

Commissioner Carmona called the meeting to order at 10:03 AM

### **2. PLEDGE OF ALLEGIANCE**

**3. DISCUSSION/FOR POSSIBLE ACTION:** Consideration and possible approval of the agenda for the March 30, 2023, special meeting.

Public Comment: None

**Motion:** I, Commissioner Mitchell, move to approve today's agenda as presented. **Seconded by:** Lance Gilman. **Vote:** Motion passed unanimously.

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

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

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

**7. DISCUSSION/FOR POSSIBLE ACTION:** Update, discussion, and provide direction to county staff and lobbyists regarding upcoming bills and legislation affecting Storey County including, but not limited to, the following, and other properly related matters: AB63 I80 Safety Corridors; SB81 Regional Orderly Growth; AB143 Lands Transfer Bill; AB47 OHV Bill; SB92 Sidewalk Vendors; SB304 NFPA Mandates; and any legislative BDR, bill, resolution, or other action of the legislature or the government of the State of Nevada causing SB1 or other post-tax abatement revenues from Tesla or other tax abated or non-tax abated companies to be canceled, diverted away from Storey County, redistributed, postponed, or extended, and other properly related matters.

Commissioner Gilman recused himself from discussion on SB432 on the advice of the District Attorney's Office because he holds a pecuniary interest in some of the subject matter.

County Manager Osborne described SB432, which was introduced at 7 p.m. March 27, sponsored by Sen. Gansert of Washoe County. The bill takes any type of an abated company after their abatements expire, and that monies Storey County would have received are redistributed to others, with, according to the bill, 60 percent going to surrounding counties, 20 percent going to the state and 20 percent going to Storey County. The bill would also create a Joint Powers Authority with seven members, most likely two from Storey County, one from Lyon County and five from Washoe County, giving Washoe County a majority, due to their larger population, based on the population of workers at the factories and where they lived that caused the impact. This board would decide the use of any future disbursements from any business in the economic diversification district, which Storey County created 10 years ago to accommodate the state's Tesla plan.

Mr. Osborne said that Storey County could be getting up to \$19 million a year from Gigafactory-1 post 2024, but this bill would bring that down to \$3.8 million. The Fire District would go from \$6 million under the original SB1, down to \$1.2 million under this bill. He said when the TRI Payback and other obligations are considered, the amount could turn into \$8 million and \$2 million, at which point there would be almost nothing left. He listed the obligations as water and sewer infrastructure the effluent pipeline whose county funds would be at risk.

Deputy District Attorney Keith Loomis highlighted legal and procedural requirements for disbursement of the abated property taxes, estimating that it would work out to \$34 million not divided amongst Storey County taxing agencies, such as the county, school district and Fire District. His estimate did not include sales tax, modified business tax and others.

Mr. Loomis said that in creating the regional powers authorities, GOED is required to make an analysis of where the employees working at the qualified project reside. And in deciding it is going to be a 7 person powers authority, two will come from Storey County and five will come from the counties that have the majority of the residents in them. In the Tesla case, it may well be that Lyon County would have one representative and the other four would come out of Washoe County. GOED is required to do that the last year that the abatements exist and even if the population changes, the allocation would not be analyzed again.

Mr. Osborne said the white paper showed impacts claimed by Washoe County were not happening, rather Washoe County, Reno and Sparks benefited tremendously from the industrial park and the economic development district. He said the county has worked with a number of professional consultants to analyze the numbers. He said the deal that was made between the State of Nevada and Storey County 10 years ago indicated that if the county went without taxes for 10 years, except for a government services agreement to offset costs, that the later taxes would bring Storey County into alignment with its neighbors in terms of infrastructure. He said the staff position was that abrogating the original agreement was completely inappropriate and recommended that this board give direction to oppose the bill.

In answering Commissioner Mitchell's questions, Mr. Osborne said that he understood that the Gigafactory's MBT would expire after 10 years, and also that each company's abatements were different. Mr. Loomis said that there would be a separate Joint Powers Authority created for each company in the economic diversification district that had tax abatements. He also said that it was unclear if the same rules would apply to data centers. He was unsure if Redwood would be included in the proposed Gigafactory-1 Joint Powers Authority. Mr. Osborne said he was still working with GOED on Tesla 1 and Tesla 2. Mr. Loomis said if the ordinance to disburse monies includes schools, Fire District, etc. they will receive them, if not, those districts will not. No provision for the fire district. Commissioner Mitchell said that sounds like the county would receive money but would have to subsidize the Fire District.

In answer to Commissioner Mitchell's question, Mr. Osborne said the regional development authorities are different from the Powers Authority, and funds would go to the most densely populated areas of the state. Mr. Loomis said the state's 20 percent would include funds going mostly to

Commissioner Carmona, who was opposed to changing the rules of the game at the end, said he believed the county should oppose this in every form, and the county should get 100 percent of any abatements as the county was promised.

Public Comment: Fire Chief Jeremy Loncar said based on how this is structured it could lead to layoffs in the Fire District. He opposed the legislation. In answer to Commissioner Mitchell's question, Chief Loncar said the loss of Tesla funds would put at risk Station 75 and its staff. He said the Fire District was planning on the funds to expand service to the industrial park, and added that if Painted Rock was developed, service would be at risk there. He said SB432 would remove the opportunity for the Fire District to expand with the park.

Mr. Loomis added: under the \$1 billion threshold, if a data center is contributing to the investment, that money will not be part of the \$1 million investment.

Assistant Sheriff Eric Kern agreed with the Fire Chief, saying both faced staffing problems in the past 10 years waiting for the Tesla abatements to end. Sheriff Mike Cullen said the office had been looking forward to the Tesla disbursement to upgrade staffing and infrastructure.

Clerk-Treasurer Jim Hindle said lower disbursement would cause difficulties for the Clerk-Treasurer's Office as it would most likely have to manage the allocations and disbursements of funds to various entities specified by the Regional Board in order to remain compliant with state regulations.

Commissioner Carmona said the park grew because the county was able to approve permits in record speed. If the Legislature intend to take away those proceeds from, then the county should make it known that it may not be possible to approve permits in a week or 30 days; it may take a year or two. This would stifle growth at the park. If we don't have the money we were planning on, the park would suffer. If growth at the park stops, other counties are all going to suffer as well.

Mr. Osborne said we have data that looks at all kinds of residences and there is positive net revenue going to other counties. He said data indicates the entire region is benefitting from the industrial park.

Commissioner Mitchell said he wanted to instruct staff to add fiscal notes as to the impacts to Storey County. He also wanted a clearer picture of what the impact was going to be. He opposes the bill but wants to ensure the county has actual data.

Mr. Osborne said Comptroller Jennifer McCain was working on data involving impact to the county of this bill.

**Motion:** I, Commissioner Mitchell, move that we take a position opposing this bill categorically, and instruct staff to prepare appropriate fiscal notes and complete analysis on the specific impact of the bill as written. **Seconded by:** Jay Carmona. **Vote:** Motion passed 2-0.

Commissioner Gilman rejoined the meeting.

Mr. Osborne said regarding SB81, remember AB240 approved in 2019? This required county managers to create a report on regional impacts. In SB81 Sen. Daly wanted to have city representatives and legislators as voting members, but has backed off. So, now they would not be voting members. The issue now is whether or not Democrats would be involved, urban vs. rural. The bill is moving forward. NACO is taking a soft approach. This bill could morph into something more, he said. We recommend a motion to continue opposing it.

Commissioner Gilman recommended opposition. Commissioner Mitchell suggested that if Sen. Daly opposed SB432, the county could soften its opposition. Commissioner Carmona opposed the SB81 in its entirety.

Public Comment: Hugh Gallagher opposed the bill, saying it could be a train wreck, and added that in the past, Storey County's representatives in the Legislature were from Douglas County. Now they are from Washoe County, and P.K. O'Neill lives in Sparks[*actually Carson City*]. He recommends working to defeat this bill and SB432.

**Motion:** I, Commissioner Mitchell, move for the county to oppose SB81 in all forms.  
**Seconded by:** Lance Gilman. **Vote:** Motion passed unanimously.

Mr. Osborne said AB143, there has been a recent hearing, regarding this bill, which transfers land from the federal government to private owners, in order to clear up titles. He asked for a motion to support this bill. He said this doesn't mean the county would own the properties, it would transfer properties to private owners. The law would begin on Oct. 31, 2023.

Public Comment: None

**Motion:** I, Commissioner Mitchell, move to continue our position of support for AB243, and to work with the sponsor to get it passed. **Seconded by:** Lance Gilman. **Vote:** Motion passed unanimously.

Mr. Osborne said AB63, the I80 Safety Corridor Bill, it has been changed to a statewide Safety Corridors bill. It has had one hearing and is awaiting another. NDOT has reduced the speed limit along that stretch of the corridor to 65 mph and is discussing an environmental assessment. In response to a question from Commissioner Mitchell, Mr. Osborne said the bill that was originally proposed was specific and had structure. After NDOT put a fiscal note on the bill, but later removed some of this. He said the county would not get everything it wants, but will get something done, there is an interest at the state to get something done along this corridor,

Public Comment: None

**Motion:** I, Commissioner Mitchell, move to instruct staff to continue to work with our lobbyists in support of AB63. **Seconded by:** Lance Gilman. **Vote:** Motion passed unanimously.

Public Comment: None

**Motion:** I, Commissioner Mitchell, move to instruct staff to continue to work with our lobbyists on the furtherance and in support of AB63. **Seconded by:** Lance Gilman. **Vote:** Motion passed unanimously.

Mr. Osborne spoke on smaller bills SB92, 47, and 304:

- Specific to SB92, which is related to sidewalk vendors, the regulation would only apply to counties with populations of 100,000 or more and suggested Storey County stay neutral on it.

Public Comment: None

**Motion:** I, Commissioner Mitchell, move to continue a position of neutral on SB92, the sidewalk vendor bill. **Seconded by:** Lance Gilman. **Vote:** Motion passed unanimously.

- Mr. Osborne said AB47, the off-highway road bill, gives local control to the county and recommends support.

Public Comment: None

**Motion:** I, Commissioner Mitchell, move to take a position of support for AB47, the OHV bill, and to instruct staff to make that position known. **Seconded by:** Lance Gilman. **Vote:** Motion passed unanimously.

- Mr. Osborne said SB304 affects Fire Districts and their NFPA mandates.

Public Comment: Fire Chief Loncar said there is overlap with county, which owns the fire stations, and the Fire District. NFPA is National Fire Protection Association, a special-interest group that builds guidelines across the nation. But to put it into law becomes a mandate and extreme financial burden. NFPA dictates how fire stations are to be built, retrofitting existing stations which creates a financial burden. NFPA provides its own fire codes, which we could use, but we get to select them. Storey County operates on international codes. With this we must operate with NFPA standards. It will slow construction, create conflicting,

Mr. Osborne suggested that the county, in collaboration with the Fire District, oppose SB304.

**Motion:** I, Commissioner Mitchell, move that the county oppose SB304 in reference to NFPA mandates, and instruct staff to work in conjunction with the Fire District in that opposition. **Seconded by:** Lance Gilman. **Vote:** Motion passed unanimously.

## **8. RECESS TO CONVENE AS THE STOREY COUNTY FIRE PROTECTION DISTRICT BOARD.**

**9. DISCUSSION/FOR POSSIBLE ACTION:** Update, discussion, and provide direction to the Fire Chief and appropriate Fire District Staff along with professional services, regarding upcoming bills and legislation affecting Storey County Fire Protection District including, but not limited to the following, and other properly related matters: AB63 I80 Safety Corridors; SB81 Regional Orderly Growth; SB304 NFPA Mandates; AB 358 Emergency Medical Services, and any legislative BDR, bill, resolution, or other action of the legislature or the government of the State of Nevada causing SB1 or other post-tax abatement revenues from Tesla or other tax abated or non-tax abated companies to be canceled, diverted away from Storey County and Storey County Fire Protection District, redistributed, postponed, or extended, and other properly related matters.

Commissioner Gilman recused himself from discussion on SB432 on the advice of the District Attorney's Office because he holds a pecuniary interest in some of the subject matter.

Fire Chief Jeremy Loncar started with SB432, which he said this bill is a way to divert money from the Fire District and county. He asked that the Fire District actively oppose this.

Public Comment: None

**Motion:** I, Fire Commissioner Mitchell, move that the Fire District oppose SB432 and work in conjunction with the county in that opposition. **Seconded by:** Jay Carmona. **Vote:** Motion passed 2-0.

Commissioner Gilman rejoined the meeting.

Chief Loncar said AB63 is looking to provide safer access for people in the industrial park.

Public Comment: None

**Motion:** I, Fire Commissioner Mitchell, move that the Storey County Fire District take an official position in support of AB63 and SB432 and work with the county in that support. **Seconded by:** Lance Gilman. **Vote:** Motion passed unanimously.

Chief Loncar said SB81 is a very slippery slope. The Fire District is supporting Mr. Osborne and are opposed to this.

Public Comment: None

**Motion:** I, Fire Commissioner Mitchell, move that District will take a position opposing SB81 about regional orderly growth, and will work with and support the county in that opposition.

**Seconded by:** Lance Gilman. **Vote:** Motion passed unanimously.

Chief Loncar said that regarding SB304: the Fire Chiefs Association is opposing this bill. SB304 will impact staffing levels, requiring 14 responders for a single-family home fire, and the district does not have 14 responders. The Chief requests authority to act in opposition to this bill.

Public Comment: None

**Motion:** I, Fire Commissioner Mitchell, move that the District take a position in strong opposition to SB304, the NFPA mandates, to instruct staff to compose fiscal notes and to work to make that opposition known in the strongest terms possible. **Seconded by:** Lance Gilman.

**Vote:** Motion passed unanimously.

Chief Loncar said AB358 governs emergency medical services, and currently the state has its own division for inspections. This bill moves it from the Department of Behavioral Health to the state Fire Marshal's Office. He wanted to continue to support this bill.

Public Comment: None

**Motion:** I, Fire Commissioner Mitchell, move to continue to support AB358, emergency medical services, and instruct staff to continue to support up to and including testifying in a supporting position at the Legislature. **Seconded by:** Lance Gilman. **Vote:** Motion passed unanimously.

## **10. ADJOURN TO RECONVENE AS THE STOREY COUNTY BOARD OF COUNTY COMMISSIONERS**

## **11. PUBLIC COMMENT (NO ACTION):**

## **11. ADJOURNMENT OF ALL ACTIVE AND RECESSED BOARDS ON THE AGENDA.**

Commissioner Carmona adjourned the meeting at 11:29 a.m.

Respectfully submitted,



Jim Hindle

Clerk-Treasurer