



STOREY COUNTY BOARD OF COUNTY COMMISSIONERS MEETING

6/20/2024 2:00 PM

26 SOUTH B STREET, VIRGINIA CITY, NV

SPECIAL MEETING MINUTES

JAY CARMONA
CHAIRMAN

CLAY MITCHELL
VICE-CHAIRMAN

LANCE GILMAN
COMMISSIONER

ANNE LANGER
DISTRICT ATTORNEY

JIM HINDLE
CLERK & TREASURER

Roll Call

√ Commission Chairman Jay Carmona, √ Commission Vice-Chair Clay Mitchell,
√ Commissioner Lance Gilman, □ District Attorney Anne Langer, √ Clerk & Treasurer Jim Hindle,
√ County Manager Austin Osborne, √ Deputy District Attorney Brian Brown

□ Assessor Jana Seddon
□ Justice of the Peace Eileen Herrington
√ Recorder Dru McPherson
√ Sheriff Mike Cullen
□ Business Development Manager Lara Mather
√ Comptroller Jennifer McCain
√ Community Development Director Pete Renaud
√ County Administrative Officer Honey Coughlin
√ Emergency Management Director Adam Wilson
√ Fire Chief Jeremy Loncar

□ Grants Manager Sara Sturtz
□ Health & Community Services Director Stacy York
√ Human Resources Director Brandie Lopez
□ IT Director James Deane
√ Operations and Project Manager Mike Northan
√ Planning Manager Kathy Canfield
√ Public Works Director Jason Wierzbicki
√ Tourism Director Todd Tuttle
Other:

Total Attendance: 50

In-Person: 15

Zoom: 35

1. CALL TO ORDER SPECIAL MEETING AT 2:00 P.M.

Commission Chairman Jay Carmona called the meeting to order at 2:00 p.m.

2. CONVENE AS THE STOREY COUNTY BOARD OF COUNTY COMMISSIONERS

3. PLEDGE OF ALLEGIANCE

4. PUBLIC COMMENT (No Action): None

5. DISCUSSION/FOR POSSIBLE ACTION: Consideration and possible approval of the agenda for the June 20, 2024, special meeting.

County Manager Austin Osborne asked that Item #7 be moved to the spot before Item #22. He also asked that Items #20 and #21 be continued to the July 2nd meeting.

Public Comment: None

Motion: I, Commissioner Mitchell, move to approve today's agenda with the following modifications to move Item #7 to before Item #22 and we are going to continue Items #20 and #21 to the July 2 meeting of the Board of County Commissioners at the Storey County Courthouse and on Zoom. **Seconded by:** Lance Gilman. **Vote:** Motion passed unanimously.

6. DISCUSSION/FOR POSSIBLE ACTION: Consideration and possible approval of the final canvass of the results of the June 11th, 2024, Primary Election held in Storey County.

Clerk/Treasurer Jim Hindle presented County election results and the Canvas of the Vote. Mr. Hindle said the final results and the report of the Canvas of the Vote will be posted online after the meeting. Mr. Hindle discussed a breakdown of the voting and the turnout. Winners of the commissioner election will go to the general, but District 3 will run unopposed. The race for Justice Court Judge is final, as are the races for School Board, as there was no opposition, all ran as non-partisan, and all received greater than 50% of the total votes cast.

Mr. Hindle said there were 3,873 eligible voters, and 1,396 voting. He said turnout was significantly lower than it has been and there has been a downward trend since going to mail-in ballots. He said before mail-in ballots, turnout was significantly larger in 2018 than 2020 to today. While trend data is still sparse, mail-in ballots seemed to be impacting the turnout of early voting.

Storey County sent 3,800 plus mail-in ballots, and 259 were undeliverable. In an effort to maintain accurate voter rolls the office will send voter contact cards to confirm the voter with undeliverable mail still lives in the county. If there is no reply at all from the voter, their registration will be changed to inactive. If a contacted voter indicates they are no longer a resident of the county, their registration will be cancelled.

Mr. Hindle said that Nevada has same-day registration, and 29 voters either newly registered or updated their registration in Storey County at the polls.

Commissioner Mitchell asked about changing the allocation of resources. Mr. Hindle said he has had this discussion with the Secretary of State; that early voting was low across the state. He said mail-in votes tend to cannibalize early voting, but any modification of the law must come from the Legislature. The Secretary of State was in favor of discussing that with Legislative representatives.

Mr. Hindle said it was a Nevada has closed primaries, and people had to vote by party. He emphasized that every voter does not have to vote in every race on their ballot. He said there were no issues or irregularities; that it was a good, clear election.

Public Comment: None

Motion: I, Commissioner Mitchell, move to approve the final canvass of the June 11th, 2024, Primary Election held in and for Storey County and that the County Clerk make a copy of the abstract and make a mechanical report of the abstract to the Secretary of State. **Seconded by:** Lance Gilman. **Vote:** Motion passed unanimously.

8. BOARD COMMENT (No Action - No Public Comment): None

9. DISCUSSION/FOR POSSIBLE ACTION: Consideration and possible approval of Resolution 24-733 establishing a Special Revenue Fund known as Extraordinary Repairs and Maintenance Fund within Storey County.

Comptroller Jennifer McCain said that although the county has a Capital Projects Fund, a new fund is needed for to separate new projects from the repairs and maintenance of existing assets. This is for anything large and needed within five years, such as roof and elevator revitalization, HVAC system overhaul and engine replacement in vehicles and equipment. This will help with our overall budget and will help clean up some loose ends.

Ms. McCain said the funds will remain in the Extraordinary Repairs and Maintenance Fund and be accounted for separately from the General Fund. Once allocated to the Compensated Absence Fund, these funds cannot be transferred back to the General Fund or any other Special Revenue Fund.

Public Comment: Hugh Gallagher said special revenue funds give him pause. This may fall short of the intention. Anything that can happen can be budgeted because department heads know what repairs are needed. I don't think this is necessary. This should fall under department head decisions.

Ms. McCain said the fund is not necessarily for emergencies, and not for any items that would come out of departmental budgets. It would come from Capital Projects fund. She would rather separate major repairs and maintenance to make it easier and more transparent.

Commissioner Mitchell, asked about the parameters of the funds, and moving money in and out of the funds, and Ms. McCain said the process would be to watch unanticipated revenue such as ad valorem. She noted the County had a high General Fund balance and it is within the realm to move funds between fund balance and fund balance.

Motion: I, Commissioner Mitchell, move to approve Resolution 24-733 establishing a Special Revenue Fund known as the Extraordinary Repairs and Maintenance Fund within Storey County with a beginning fund balance of \$1,000,000. **Seconded by:** Lance Gilman. **Vote:** Motion passed unanimously.

10. DISCUSSION/FOR POSSIBLE ACTION: Consideration and possible approval of Resolution 24-734 setting the tax rate levy at 3.4607 for fiscal year 2024-2025.

Ms. McCain said the tax rate was approved in February. This is to allow the Assessor and Clerk & Treasurer to proceed with their jobs. The tax rate is the same as last year.

Public Comment: None

Motion: I, Commissioner Mitchell, move to approve Resolution No. 24- 734 setting the tax rate levy at 3.4607 for fiscal year 2024-2025. **Seconded by:** Lance Gilman. **Vote:** Motion passed unanimously.

11. DISCUSSION/FOR POSSIBLE ACTION: Consideration and possible approval of Resolution 24-735 to transfer various funds within the Storey County 2023-2024 Budget pursuant to NRS 354.59800. The total amount of transfers is \$1,548,000 with a net adjustment of \$0.00 in the overall budget.

Ms. McCain said there was an additional resolution put online and sent to the commissioners as well as an amended motion. A transfer of \$600,000 is for a Public Works truck that was supposed to come last year. It didn't arrive before June 30 and we didn't update the budget, so we had to transfer funds between CIP and equipment acquisitions. That is the new Resolution #24-735 that will approve the \$600,000. The other is Resolution 24-738 transferring appropriations between contingency and \$200,000 to emergency mitigation due to the storm in 2022-2023.

County Manager Osborne said this does not affect the TRI payback. Ms. McCain is just fixing that fund.

Commissioner Gilman disclosed his pecuniary interest in the Tahoe Reno Industrial Center, but said he could still vote because it was not an increase in the budget, just moving funds around.

Public Comment: Hugh Gallagher asked about TRI payback. He asked if the county still took appropriations out of the General Fund and the Fire District. Ms. McCain said the transfers are out of General and Equipment Acquisition, and several years ago we had moved a portion of the BCCRTs and SCCRTs directly as the Clerk & Treasurer apportions them. Ms. McCain said the amount for the TRI Payback was budgeted at \$3.5 million while the payment was \$3.66 million. Mr. Gallagher said the Fire District received property taxes from the industrial

park, and he didn't understand the BCCRTs and SCCRTs. He said this should be part of the TRI payback. Originally, the TRI Payback Fund was a combination based on a pro-rated formula for the General Fund and Fire Protection District. It was brought to our attention the Fire District was not involved in this agreement and had no responsibility to pay it back. Since this was adopted in 2009, until 2020, it was a simple formula. They receive taxes from the industrial park, why should they not have to pay a portion to the Payback? Ms. McCain said this was brought up several years ago and that the Fire District was never officially involved in the TRI Payback agreement, and had no financial responsibility to pay into this fund. She said the BCCRTs and SCCRTs are included in the calculations for the money that is attributable to TRI. Mr. Gallagher said this was a departure from a very simple formula.

Mr. Osborne said staff will talk to Mr. Gallagher about this. Ms. McCain, the TRI auditor and the decision makers at TRI were all on board with this decision. Commissioner Carmona suggested staff and Mr. Gallagher take this discussion offline.

Commissioner Mitchell asked if contingency must be replenished, and Ms. McCain said it would not. She said it was a line-item, not a fund and was budgeted for each year.

Motion: I, Commissioner Mitchell, move to approve the transfers between the 2023-2024 Storey County Budget in the amount of \$1,548,000 in total between general fund departments, funds, and contingency with a net adjustment to the County budgets of \$0.00. I further move to approve Resolution 24-735 transferring \$600,000 from Capital Projects to Equipment Acquisition to approve Resolution 24-738 transferring \$727,000 from the General Fund Contingency to the other Storey County Special Revenue Funds. **Seconded by:** Lance Gilman. **Vote:** Motion passed unanimously.

12. DISCUSSION/FOR POSSIBLE ACTION: Consideration and possible approval of Resolution 24-736 establishing a Special Revenue Fund known as Risk Management Fund within Storey County.

Ms. McCain. This came about as a recommendation from POOLPACT. The Board of Commissioners recently increased insurance liability deductible from \$5,000 to \$25,000. This would allow us to create a fund to absorb the larger deductible. She said it can be used for other risk management programs. She recommended \$250,000, or the equivalent of the average of 10 insurance claims.

Public Comment: Hugh Gallagher said this can be used for employee cases of liability, with regards to a department head, correct? Ms. McCain said yes, but the initial reason is to absorb the \$25,000 deductibles. Will this provide cover for departments making poor decisions regarding employees? He mentioned the Sheriff's Office of the past, where the deductible was subtracted from his budget and put in the financial statements. I think it is a good deterrent that keeps our department heads in line. Instead, they can do whatever they

want, and this fund is going to take care of it. I understand on the equipment side, but I don't understand on the employee side.

Commissioner Mitchell asked if the fund would automatically cover what Mr. Gallagher was referencing or did it have to be specifically approved, and was there a policy? Ms. McCain said this is created to absorb the deductible and must be determined case-by-case. Ms. McCain said a policy would need to be created.

County Manager Austin Osborne said the county was in the process of drafting policies. Commissioner Mitchell approved of creating policies.

Motion: I, Commissioner Mitchell, move to approve Resolution 24-736 establishing a Special Revenue Fund known as the Risk Management Fund within Storey County with a beginning fund balance of \$250,000. **Seconded by:** Lance Gilman. **Vote:** Motion passed unanimously.

13. DISCUSSION/FOR POSSIBLE ACTION: Consideration and possible approval of Resolution 24-737 establishing a Special Revenue Fund known as Compensated Absence Fund within Storey County.

Comptroller McCain said this fund proposal came from a discussion with a representative at POOLPACT, who suggested without this fund the County has an unfunded liability in annual and sick leave paid to employees upon their departure from employment with the County. The financial liability at the end of FY 2023, shown by an audit was \$937,123. She said the fund is needed to ensure the budget remains intact when these liabilities arise. She said a mid-level employee's leave payout could be \$15,000 and a higher-level employee's leave payout could be \$25,000-\$30,000. Since the County cannot control when someone retires, this fund is needed to ensure that departments are not hit with sudden liabilities. Ms. McCain asked for \$400,000 to start the fund, and added that the funds will remain in the Compensated Absence Fund and cannot be transferred back to the General Fund or to any other Special Revenue Fund. The \$400,000 will come from a portion of unanticipated revenue from the General Fund.

Public Comment: Hugh Gallagher said this takes it out of departmental hands. In the budget process you can always anticipate this. We have done this before. He said he didn't understand why these can't be funded back. This is not in accordance with NRS 354.6105. He would like to get that stricken. He said it could include as many as 43 employees, and the County's population has not increased that much.

Commissioner Carmona said the County's population has increased by just under 100 people. Our staff's workload has increased not because of the population, but because of the amount of business that has been going on in the county. People's needs have changed. He thanked the staff for their work.

County Manager Austin Osborne said in some of the actions, Comptroller McCain takes an abundance of caution in the risk management area. I am in support of what she is doing.

Motion: I, Commissioner Mitchell, move to approve Resolution 24-737 establishing a Special Revenue Fund known as the Compensated Absence Fund within Storey County with a beginning fund balance of \$400,000. **Seconded by:** Lance Gilman. **Vote:** Motion passed unanimously.

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

15. DISCUSSION/FOR POSSIBLE ACTION: Considerations and possible approval of the transfers in the Water fund, within the Storey County 2023-2024 Budget pursuant to NRS 354.59800. These transfers total \$16,000 and have a net adjustment of \$0.00.

Comptroller McCain said the Water Fund needed to transfer \$16,000, or \$8,500 in wages, \$4,450 in overtime and \$3,000 into PERS. This is because of the commissioner's increase and differences in employees. The funds would transfer out of Professional Services. There are no transfers in the sewer fund.

Public Comment: None

Motion: I, Commissioner Mitchell, move to approve the transfers in the 2023-2024 Storey County Water Budget in the amount of \$16,000 with a net adjustment to the Water budget of \$0.00. **Seconded by:** Lance Gilman. **Vote:** Motion passed unanimously.

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

17. DISCUSSION/FOR POSSIBLE ACTION: Special Use Permit (2024-020). The applicant requests to operate a gaming establishment within an existing structure located at the southwest corner of Union Street and C Street. The property contains several "storefronts" all internally connected in the Downtown District of Virginia City. This request is to allow for gaming to occur throughout the retail establishment, and will include, but isn't limited to, slot machines and table games. The property is located at 2 South C Street and 18 South C Street, Virginia City, Storey County, Nevada, Assessor's Parcel Numbers (APN) 001-083-11, 12, 13 & 14.

Planning Manager Kathy Canfield said this an application for a Special Use Permit for the Delta Saloon. Right now, there can be 15 or less gaming activities on the site. For more, it than that number it would need the Special Use Permit. She said that because the building, which previously housed gaming, had not been operating for 24 months, there needed to be a

new Special Use Permit. This was approved at the June 6 Planning Commission meeting. No negative comments were received by the department.

Commissioner Mitchell asked are we open to the usage of 15 machines? Ms. Canfield said this is just about land use; anything else depended on the gaming license.

Commissioner Carmona said he had followed the progress, and it was good to see the building coming to life again.

Ms. Canfield read the Findings.

Public Comment: Delta Owner James Grimes thanked the County and the town of Virginia City for their support. Everyone has helped get this off the ground. We can bring this thing back.

Motion: In accordance with the recommendation by the Planning Commission and staff, the Findings of Fact under Section 3.A of the Staff Report as read into the record by county staff, and in compliance with all Conditions of Approval, I, Commissioner Mitchell, hereby move to approve operation of a gaming establishment within an existing structure located at the southwest corner of Union Street and C Street. The property contains several “storefronts” all internally connected in the Downtown District of Virginia City. This request is to allow for gaming to occur throughout the retail establishment, and will include, but isn’t limited to, slot machines and table games. The property is located at 2 South C Street and 18 South C Street, Virginia City, Storey County, Nevada, Assessor’s Parcel Numbers (APN) 001-083-11, 12, 13 & 14. **Seconded by:** Lance Gilman. **Vote:** Motion passed unanimously.

18. DISCUSSION/FOR POSSIBLE ACTION: Variance (2024-013). The applicant is requesting a reduced front yard setback to construct a residence/garage addition to an existing residence. The property is located within the CR Commercial-Residential zoning district outside of the Downtown District in Virginia City. The variance request is to allow for a 2.5- foot front yard setback from the property line for the proposed residence/garage addition. The property is located at 450 South E Street, Virginia City, Storey County, Nevada, Assessor’s Parcel Number (APN) 001- 058-11.

Ms. Canfield said this is for a variance to allow for a reduced setback. In the 2005-2007 timeframe the property owner at that time requested a land swap or abandonment to contain a carriage house on the property, so a land swap was done. D street became larger, and E Street became smaller. To build the residence, the property owner received a 7.5-foot setback. Both permits required the carriage house to be kept intact. The applicant wants to tear down the garage (carriage house) and is asking for 2.5-foot setback to construct living space above a new garage. It will use the same footprint as the old garage. The Comstock Historic District Commission found the carriage house no longer contained any aspects that made it historic. The garage would extend closer to the house. Some letters the Department received had

concerns about tearing down the garage/carriage house while another had concerns with safety issues at Silver and E streets. The project does meet the Planning Department's requirements. CHD didn't have concerns with the setback, but did with design, and came up with different design that was accepted. The Planning Commission heard this and recommended approval. The garage will not extend beyond the location of the house Ms. Canfield said parking is allowed in the right of way. She also said the living space above the new garage is not for renting out separately; it was part of the home.

Commissioner Mitchell disclosed that he was on the CHD Commission. He said he was sympathetic to adjacent property owners' concerns but didn't think the project posed hazards. He said he visited the area. He asked if it could be conditioned on not allowing on-street parking in front of the home. Ms. Canfield said if this is parking outside of the traveled way, it is OK. That is covered under existing rules.

Ms. Canfield read the findings.

Public Comment: None

Motion: In accordance with the recommendation by the Planning Commission and staff, the Findings of Fact under Section 3.A of this report as read into the record by county staff, and other findings deemed appropriate by the Board of County Commissioners, and in compliance with the conditions of approval, I, Commissioner Mitchell, move to approve a variance (File 2024-013) to allow for a reduced front yard setback to construct a residence/garage addition to an existing residence. The property is located within the CR Commercial-Residential zoning district outside of the Downtown District in Virginia City. The variance request is to allow for a 2.5-foot front yard setback from the property line for the proposed residence/garage addition. The property is located at 450 South E Street, Virginia City, Storey County, Nevada, Assessor's Parcel Number (APN) 001-058-11.
Seconded by: Lance Gilman. **Vote:** Motion passed unanimously.

19. DISCUSSION/FOR POSSIBLE ACTION: Consideration and possible approval of approximately 5-year lease between Storey County and the Nevada State Department of Public Safety (Nevada Highway Patrol) for use of existing office space of approximately 400 square feet, and future Sheriff's Office substation area as provided for by the Sheriff, for an amount of \$0.00 but with certain cost reimbursements, located at the Storey County Government Complex at 1705 Peru Drive, McCarran, Storey County, Nevada.

County Manager Austin Osborne said the contract between Storey County and the Nevada Highway Patrol is to lease office space at TRIC. It is a 5-year lease and will occupy existing space until the sheriff's space is built and then they would share space. The NHP will pay for phone, broadband and once-a-week janitorial services. He corrected spellings and dates on the contract.

Public Comment: None

Motion: I, Commissioner Mitchell, move to approve an approximately 5- year lease between Storey County and the Nevada State Department of Public Safety (Nevada Highway Patrol) for use of existing office space of approximately 400 square feet, and future Sheriff's Office substation area as provided for by the Sheriff, for an amount of \$0.00 but with certain cost reimbursements, located at the Storey County Government Complex at 1705 Peru Drive, McCarran, Storey County, Nevada, to include the corrections the county manager mentioned on the record. **Seconded by:** Lance Gilman. **Vote:** Motion passed unanimously.

20. DISCUSSION/FOR POSSIBLE ACTION: First reading of Bill No. 143, Ordinance No. 24-331, amending Storey County Code Title 15 – BUILDINGS AND CONSTRUCTION to more efficiently hear and decide appeals of orders, decisions, or determinations made by the building official or determinations made by the fire marshal about the International Fire Code, the Wildland Urban Interface code or any amendments by adding an option for appeals to be heard by Hearing Officers in situations where the full Board of Appeals is not seated and by adding a process for Judicial Review after the Board of Appeals/Hearing Officer decision.

This item was continued to July 7, 2024.

21. DISCUSSION/FOR POSSIBLE ACTION: First reading of Bill No. 142, Ordinance No. 24-330, amending Storey County Code Title 8 - Health and Safety, Chapter 8.01 Nuisances to allow appeals of a final decision of the hearing officer to proceed under a process for Judicial Review in district court after the final Hearing Officer decision.

This item was continued to July 7, 2024.

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

- National Night Out in Lockwood will be August 6th and the Sheriff's Night Out in Virginia City will be the next week.
- Three new deputies have started at the POST academy.

Fire District

- The district had concluded acting captains testing. There are many applications for some other training.

Public Works

- Traction is gaining on the adult swim.
- Lousetown coming along, paving starts next week.

Business Development Office

- Community project grants are now open. Communities can apply for \$10,000. Applications are due Friday by 5 p.m. Aug. 23. Residents can e-mail, fax or walk in their applications. They can't just be postmarked Aug. 23; we must have them that day.

Planning Department

- On Thursday, July 18, a town hall meeting for the Master Plan will be held at the Mark Twain Community Center. Other meetings will be Aug. 8 at the Virginia City Highlands fire station, and Aug. 22 at the Rainbow Bend Clubhouse in Lockwood.

Emergency Management

- Residents are encouraged to sign up for the RAVE alert system, links available on the website and on social media.
- Hazard mitigation surveys are still out. They are posted at community centers and there are links on the website.
- Residents should be careful during high fire season.

VCTC

- The agency has received a state Tourism grant to create a guide to the architecture of Virginia City.
- The Fourth of July event went off without a hitch. There were 67 entries in the parade. The concert was filled, and the fireworks went on without a hitch.
- Aug. 23-24 will be the Virginia City Motorcycle Roundup sponsored by Harley-Davidson.
- Sept. 6-8 will be the Camel Races. Tickets are going fast. The Saturday shows nearly sold out. On Friday, at 5 p.m. have intown event, we are selling \$10 tickets at the visitor center. Sunday is Family Day at noon. There will be camel rides available, and the Camel Hump will be at 12:30 p.m. Saturday on C Street. There will be three shuttles to and from the fairgrounds. day at noon. Camel rides available. Camel hump coming back on Saturday, 12:30. Three shuttles from C St. to fairgrounds.

IT Department

- The department was wiring the Mark Twain Community Center with fiber-optic for high-speed internet.

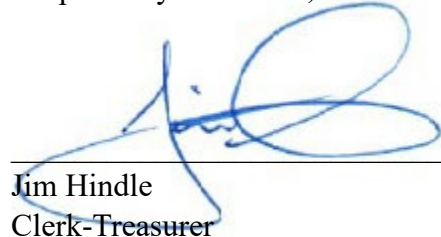
22. PUBLIC COMMENT (No Action): Hugh Gallagher said that the 3 special revenue funds seem to be a transfer dump from General Fund, The General Fund's transfers were in 2023 were about \$4.6 million, 2024, \$11.7 million, and in 2025, \$24 million. He said that Commissioners Hess and Haynes signed the TRIC Development Agreement with the understanding that should TRIC become successful, the taxpayers of Storey County would receive some tax relief. There was an effort six years ago, but the proposal was not voted on. We have a Strategic Plan, Capital Projects Plan, and Special Revenue plans. When do the stakeholders of Storey County get a plan?

23. CORRESPONDENCE/NO ACTION: Correspondence from David Fraley.

24. ADJOURNMENT OF ALL ACTIVE AND RECESSED BOARDS ON THE AGENDA

Commission Chairman adjourned the meeting at 4:05 p.m.

Respectfully submitted,



Jim Hindle

Clerk-Treasurer