

STOREY COUNTY COMMISSION MEETING

MONDAY, SEPTEMBER 19th, 2011 2:00 P.M.

DISTRICT COURTROOM

26 SOUTH B STREET, VIRGINIA CITY, NEVADA

MINUTES

BOB KERSHAW
CHAIRMAN

BILL MADDOX
DISTRICT ATTORNEY

GREG "BUM" HESS
VICE-CHAIRMAN

BILL SJOVANGEN
COMMISSIONER

VANESSA DU FRESNE
CLERK-TREASURER

Roll Call.

Present: Sheriff Gerald Antinoro, Recorder Jen Chapman, Director of Community Service Deny Dotson, Community Development Director Dean Haymore, Comptroller Hugh Gallagher, Building Inspector Shannon Gardner, Chairman Bob Kershaw, Administrative Officer Holli Kiechler, District Attorney Bill Maddox, Justice of the Peace Jack McGuffey, Public Works Director Mike Nevin, Bailiff Josh Rothschild, Commissioner Bill Sjovangen and County Manager Pat Whitten.

Absent: Vice-Chairman Greg "Bum" Hess

CALL TO ORDER AT 2:00 P.M.

The meeting was called to order by the Chair at 2:00 P.M.

Chairman Kershaw asked for a moment of silence for the tragedy at the Reno Air Races.

PLEDGE OF ALLEGIANCE

The Chair led those present in the Pledge of Allegiance.

PUBLIC COMMENT

Mark Joseph Phillips, a Storey County resident, spoke of the draft minutes for September 6, 2011 and how they did not reflect the document numbers or NRS numbers he referred to at that time. He said the recording of false documents by a public officer is a Class C felony and that he intends on filing a sworn affidavit and criminal complaint asking for the resignation of Vice-Chairman Hess.

County Manager Pat Whitten clarified that the Commissioner packets and the Public Record packet include the draft minutes for the Planning Commission meeting of August 18, 2011 but they are not on today's agenda to be acted on as they are part a filed Appeal to be acted upon first. Chairman Kershaw removed the Second Reading, Out of County License to Mark Turner, Desert Security as it was already approved at a prior meeting.

CONSENT 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. 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.)

Approval of Agenda for September 19, 2011
Approval of Minutes from September 6, 2011

Correspondence - Exhibits detailed in Order to Show Cause Hearing.

Approval of Claims - Payroll September 16, 2011. Warrants September 9, 2011.

Approval of Maps - none

Approval of Assessor corrections to the Tax Roll - none

Approval of Treasurer's Report - none

Approval of Planning Commission Minutes - none

Approve New and/or Revised County Policies - none

Approval of Second Reading, Out of County License to Mark Turner, Desert Security ~ *deleted, this previously approved item should not be on agenda* ~

SHERIFF LICENSING BOARD:

FIRST READINGS:

1. VC PONDEROSA SALOON LLC dba OLD CORNER BAR - Add Service Bar and Cabaret, William D. Migan Jr. and Tamara A Migan.

LICENSING BOARD:

FIRST READINGS:

1. **BAKER BROTHERS INSTALLATIONS, INC.**, -- Contractor / 2152 NW Parkway ~ Marietta, GA
2. **CARSON VALLEY CONSTRUCTION, LLC**, -- Contractor / 1382 South Riverview ~ Gardnerville
3. **PRO CLEAN MAINTENANCE** – General / 927 Haskell Street ~ Reno
4. **dba WIDE OPEN RENO** – General / 420 USA Parkway ~ Suite 104, TRI
5. **WILLIAMSON GENERAL CONT., INC.** – Contractor / 14407 Wild Flower Loop ~ Ft. Smith, AR
6. **ROCKET PLUMBING AND DRAIN SERVICE, LLC** – Contractor / 440 Palace Drive ~ Reno
7. **SOUTHLAND MECHANICAL SERVICE** – Contractor / 870 East Greg Street ~ Sparks
8. **NNE CONSTRUCTION, INC.** – Contractor / 163 Osino U:nit 5 ~ Elko, NV

END OF CONSENT AGENDA

Motion: Approve Consent Agenda with clarification of the August 8, 2011 Planning minutes omitted and the deletion of Second Reading, Out of County License to Mark Turner, Desert Security, **Action:** Approve, **Moved by** Commissioner Sjovangen, **Seconded by** Chairman Kershaw.

Vote: Motion carried by unanimous vote (**summary:** Yes = 2).

DISCUSSION: Committee/Staff Reports

Public Works Director Mike Nevin

1. Spent 580 man hours in the Industrial Park working on medians and applying soil sterilizer to rid of weeds. The drainage culverts have been cleaned.
2. The crack seal projects for Six Mile Canyon and the Industrial Park are complete.
3. Improvements to the water treatment plant included replacing outdated equipment, recalibrating automatic actuators and preparing for the annual sanitary survey.

Comptroller Hugh Gallagher

1. Per the Board's direction, a committee has been formed to review Resolution 99-45. The committee consisting of Deny Dotson, Bobby Wilkenson, Angelo Petrini and himself should have a report by October.

Justice of the Peace Jack McGuffey

1. In the process of forming the Department of Alternative Sentencing.
2. Piper's Opera House is allowing wedding ceremonies to be performed onsite for a donation. They have already earned \$170.00

Community Services Director Deny Dotson

1. Event coordinators are ready for Street Vibrations. There are a few less vendors this year but more local participation. A bike loop has been created to control congestion and safety.

Administrative Office Holli Kiechler

1. The grant funding for the water plant has been delayed.
2. Received reallocated funds from Historic Preservation in the amount of \$1,700 to be used for Tunnel 6 engineering.

Community Development Director Dean Haymore

1. Thanked everyone who attended the ribbon cutting ceremony for Toys "R" Us.
2. Thanked Shannon Gardner for his work on the Streetscape Enhancement Project Phase II. They will stop construction during Street Vibrations.
3. Austin Osborne and the Planning Commission have finished the zoning ordinance updates.

Sheriff Gerald Antinoro

1. The Sheriff's Department, Reserves, Jeep Posse and event security staffing will be helping with Street Vibrations
2. Parking zones have been repainted during the resurfacing of "C" Street. Cautioned all to abide by the parking zones to avoid citations.

District Attorney Bill Maddox

1. Attended the District Attorney's Association meeting for 3 days.

County Manager Pat Whitten

1. The Economic Development program is receiving good comments and questions. Exploring the foreign trade zone exclusions currently in place and a possible green energy project.

DISCUSSION/POSSIBLE ACTION: Canvass of the Special Election held in Storey County, Nevada on September 13, 2011.

Chairman Kershaw said that the State will reimburse the County for the cost of the election. He then read the results into record.

Motion: Approve the Canvass of the Special Election held in Storey County, Nevada on September 13, 2011, **Action:** Approve, **Moved by** Commissioner Sjovangen, **Seconded by** Chairman Kershaw.

Vote: Motion carried by unanimous vote (**summary:** Yes = 2).

Mr. Whitten stated that putting on the Special Election is just as much work as a standard election. He thanked the IT Director, Clerk's Office and all other employees who helped at the polls.

DISCUSSION/POSSIBLE ACTION: Appointment to fill vacancy on Canyon General Improvement District.

Chairman Kershaw asked to continue item as the GID will be making a recommendation later in the week.

Motion: Continue appointment to fill vacancy on Canyon General Improvement District, **Action:** Approve, **Moved by** Commissioner Sjovangen, **Seconded by** Chairman Kershaw.

Vote: Motion carried by unanimous vote (**summary:** Yes = 2).

DISCUSSION/POSSIBLE ACTION: Approve Interlocal Contract between the State of Nevada Health Division - Environmental Health Program and Storey County.

Mr. Whitten stated that this was a result of the last legislative session and is primarily for restaurant inspections and establishments that handle food and beverages. Taxpayers will now have to pay a portion of the fees instead of the State.

Motion: Approve Interlocal Contract between the State of Nevada Health Division - Environmental Health Program and Storey County, **Action:** Approve, **Moved by** Commissioner Sjovangen, **Seconded by** Chairman Kershaw.

Vote: Motion carried by unanimous vote (**summary:** Yes = 2).

DISCUSSION/POSSIBLE ACTION: Approval of Order to Show Cause requiring Scott L. Burrell, Burrell Investments, LLC., to show cause why the business license for the Washoe Club, located at 116 South C Street, Virginia City, should not be suspended, canceled, or revoked for the following reasons:

Pursuant to Section 115 of the 1997 Uniform Code for the Abatement of Dangerous Buildings which has been adopted by the Storey County Board of Commissioners in Storey County Code, Section 15.04.010, on February 26, 2010 and again on April 8, 2011, Unsafe Notices were posted for the second and third floors of the building located at 116 South C Street, prohibiting entry onto or into those floors of that building due to unsafe conditions. You have allowed continued occupancy and/or access to prohibited persons to the second and third floors of the Washoe Club structure located at 116 South C Street, Virginia City, Nevada, which is and has been a violation of the Unsafe Notices that were lawfully posted on February 26, 2010 and again on April 8, 2011.

District Attorney Bill Maddox stated that he would call 5 witnesses to speak and Scott Burrell would be allowed to call witnesses as well. Shannon Gardner, Storey County Building Inspector, was sworn in and the District Attorney asked several questions about prior inspections of the Washoe Club and submitted a Special Inspection Report from March 3, 2010 as Exhibit #1. Scott Burrell and Mr. Gardner discussed conversations they had had regarding the roof and the needed repairs.

Commissioner Sjovangen asked if the roof problem had been mitigated or if it is still a health and safety concern. Mr. Gardner was not sure since Mr. Burrell no longer welcomes him on the site. Commissioner Sjovangen asked if the condition of the roof was a consideration of the Red Tag. Mr. Gardner said no, the Red Tag was from the stairs to the 2nd and 3rd floors as well as the structural floor condition. Mr. Burrell questioned if there was further documentation regarding roof repairs and a Red Tag placed on the Saloon on April 29, 2010. The DA submitted an Unsafe Notice as Exhibit #2.

Community Development Director Dean Haymore was sworn in next and asked to explain a Special Inspection report he signed that was submitted as Exhibit #3 and an Unsafe Notice as Exhibit #4 by the District Attorney. Mr. Haymore recounted the events he remembered surrounding the Red Tag, repairs and the condition of the roof as well as the history behind the building's condition before and after Scott Burrell bought the building. Access to the 2nd and 3rd floors has been prohibited for the last 24 years but only officially Red Tagged recently. He also commented that he has never personally witnessed people accessing the upper floors but had received reports. The Ghost Hunters were allowed to stay in a specified area for two nights a couple of years ago. Mr. Burrell and Mr. Haymore discussed Red Tag dates and the attempt to get special permission for access for the Ghost Adventurer's live skype.

Clifford McCain was sworn in and asked by the District Attorney if he had made complaints about the Washoe Club. Mr. McCain stated that he did complain about the traffic to the upper floors as well as the leaking roof. They discussed dates, departments involved and responses given. Commissioner Sjovangen and Chairman Kershaw asked if Mr. McCain had actually witnessed people upstairs or just in the stairway and if all occurrences were at night.

Mr. Burrell asked Mr. McCain if he remembered how hard it was raining on May 13, 2011 and asked if there was a grudge between the two of them. Mr. McCain did not remember the weather back in May and agreed to the grudge. He stated that Sheriff Antinoro said "if it's fair for one, it should be fair for all" in regards to charging for access to upper floors of historic buildings that are not up to code. Mr. Burrell then asked why the lease for the Washoe Club was not renewed in which Mr. McCain answered because the rent was raised to what they thought was an unreasonable amount.

BREAK

The Chair called for a recess at 3:15 P.M.

CONTINUED

The meeting was reconvened by the call of the Chair at 3:30 P.M.

Sergeant Jeff Bowers was sworn in and stated that he reviewed several other officer reports and began his own investigation starting with interviews from Shannon Gardner and Dean Haymore. Bowers described his investigation regarding the lock out orders, interviews with witnesses and social media with pictures, (Exhibit #6). Commissioner Sjovangen asked Sgt. Bowers if anyone had admitted to him that they had been on 2nd or 3rd floor of the Washoe Club in which he replied "no" nor had he himself witnessed anyone occupying those floors.

Scott Burrell submitted copies of affidavits from the film crew of Ghost Adventures stating that they were not in Virginia City on May 13, 2011. He also submitted voluntary statements from patrons of Washoe Club and Bats in the Belfry stating that they have never been given permission to access the upper floors nor have they seen it granted to others.

Sheriff Gerald Antinoro was sworn in and asked if he had investigated any of the complaints on the Washoe Club. He gave a general background of the complaints and the follow up from deputy investigations. The Sheriff spent time on the internet and saw a host of pictures, (Exhibit 5), of people purportedly upstairs during times when both the McCain's and the Burrell's were running the bar. The pictures were studied by The Board, the Sheriff and Mr. Burrell who questioned when the photos were actually taken versus when they were posted

to the various social media sites. Commissioner Sjovangen asked the Sheriff if he or his staff had personally witnessed people upstairs in which he answered “no” for himself but could not speak for staff.

Jennifer McCain was sworn in and asked to confirm copies of lease agreements (Exhibit #7). Mr. Burrell stated the terms of the lease agreements in regards to monthly payments and asked why the lease wasn't renewed. She stated that he knew she had pulled out of the business and asked to change the lease to Cheryl Bailey, her sister, who was running the business. The grudge was discussed and the hostile environment acknowledged.

Cheryl Bailey was sworn in and Scott Burrell proceeded to ask her to verify her signature on a letter from herself to Scott dated January 8, 2010 asking to extend the lease to her for \$1,950.00 per month.

Bret Barnes was sworn in and asked how often he visited the Washoe Club in the past since Mr. Burrell took back over. Mr. Barnes answered quite often and never witnessed tours, only maintenance operations upstairs. County Manager Pat Whitten disclosed that Mr. Barnes is his stepson and resides with him. Staff reports do not reflect his recommendation in this matter nor does he vote on the issue.

Commissioner Sjovangen did not find the evidence convincing for a violation. County Manager Whitten asked the District Attorney to clarify the discretion for granting a business or liquor license as well as the weight of a witness statement.

Motion: Stay the 6 month suspension of the business license for the Washoe Club provided the Red Tag is not violated and any needed access to the 2nd and 3rd Floors of the Washoe Club be granted by the Director of Community Development Dean Haymore, **Action:** Approve, **Moved by** Commissioner Sjovangen, **Seconded by** Chairman Kershaw.

Vote: Motion carried by unanimous vote (**summary:** Yes = 2).

Mr. Burrell asked for clarification of his allowances. Commissioner Sjovangen stated that he will need permission from Mr. Haymore each time he needs access to the upper floors stating specific times, dates and reason for entry. Mr. Haymore was asked to put the conditions in writing. Ron Hones has been selected to install the fire sprinkler system and Zulim Construction will make repairs for limited access to the upper floors for daily tours with a completion date of May 1, 2012. Mr. Burrell thanked everyone for their time.

LICENSING BOARD:

SECOND READINGS:

1. **CASCO EQUIPMENT CORP.,** - Contractor / 4141 Flat Rock Drive ~ Riverside, CA
2. **INLAND HOBBS MATERIAL HANDLING, LLC** – 4265 West Tropicana ~ Las Vegas, NV
3. **BOART LONGYEAR COMPANY** – Contractor / 230 East Sydney, TRI
4. **VIRGINIA CITY COFFEE HOUSE** – General / 110 North C Street, VC
5. **FLUOR ENTERPRISES, INC.** – Contractor/3 Polaris Way ~Aliso Viejo, CA
6. **PEAK CONSTRUCTION** – Contractor / 2004 Michael Drive ~ Carson City
7. **VALLEY CREEK ENTERPRISES** – Contractor / 301 Unit 4 ~ Hot Springs Road ~ Carson City
8. **TERRY CROSBY EXCAVATING** – Contractor / 4790 Caughlin Parkway ~ Reno
9. **AMERICAN SIGN & CRANE** – Contractor / 1975 Timber Way ~ Reno
10. **WILLIAMS & FAMILY, LLC dba PET CHEF EXPRESS** – General / 12805 Thunderbolt ~ Reno
11. **KUNAKI, LLC** – General / 1170 Waltham Way TRI
12. **CHICKEN HAWK TRANSPORT** – Transportation / 235 London, TRI
13. **SCHLUTER SYSTEMS, L.P.** – General / 100 Germany Circle, TRI

Mr. Haymore asked to continue Items #3, #11, #12 and #13 as they work towards getting into compliance with inspections.

Motion: Continue Second Readings of Licensing Items #3, #11, #12 and #13,
Action: Approve, **Moved by** Commissioner Sjovangen, **Seconded by** Chairman Kershaw.

Vote: Motion carried by unanimous vote (**summary:** Yes = 2).

Mr. Haymore asked to approve Items #1 and 2 and #4 through #10.

Motion: Approve Second Readings of Licensing Board Items #1 and 2 and #4 through #10, **Action:** Approve, **Moved by** Commissioner Sjovangen, **Seconded by** Chairman Kershaw.

Vote: Motion carried by unanimous vote (**summary:** Yes = 2).

BOARD COMMENT

Chairman Kershaw stated that on the October 4, 2011 County Commission meeting, the Planning Commission Appeal for Comstock Mining Inc. Special Use Permit will be addressed. The format of that meeting will be for any new

findings. All presentations must be brought to staff 3 business days prior to the meeting for approval as new, pertinent information. Public Comment will be limited to a strict 3 minutes unless extended at Boards discretion.

Mark Joseph Phillips said there must be 10 days notice for the appeal meeting.

Chairman Kershaw said they had a great tour of Toys "R" Us today. We are gearing towards making Virginia City as vibrant as possible in this economy. Governor Sandoval plans to make a trip to Virginia City.

ADJOURNMENT

The meeting was adjourned by call of The Chair at 4:31 P.M.

Respectfully submitted by:

Jessie Fain
Storey County Deputy Clerk-Treasurer

Please note that these minutes have not yet been approved and are subject to revision at the next meeting. These minutes are presented in a summary format and are not verbatim.