

REGIONAL PLANNING COMMISSION MINUTES

The Humboldt County Regional Planning Commission (RPC) meeting was held on Thursday, May 19, 2016 at 5:30 p.m. in the Meeting Room of the Humboldt County Courthouse located at 50 West Fifth Street, Winnemucca, Nevada.

COMMISSIONERS PRESENT

Brad Bauman
Ken Hladek
Jennifer Legarza
Lewis Trout
Mike White

COMMISSIONERS ABSENT

Vickie Rock
Jean Kinney

STAFF PRESENT

Betty Lawrence
Abel Del Real-Nava

LEGAL COUNSEL

Gabrielle Carr

PUBLIC PRESENT

Tom Bidegary
Terry Boyle
Ussette Diaz
Brian Stone
Tim Billingsley
Casey Graham
Patrick Gray

Ginger Bidegary
Cesar Mora
Silvia Solis
Dave Ramey
Jim Billingsley
John Milton
Jim Billingsley

I. OPENING

A. Vice Chair Baumann called the meeting to order and led members and guests in the Pledge of Allegiance.

B. Roll call was taken; there was a quorum present.

C. Public Commentary

Vice Chair Baumann called for public comments and hearing none, closed the public comment period.

D. Review, Correction and Approval of Minutes of April 14, 2016

Vice Chair Baumann asked if there were any corrections to the April 14, 2016 minutes. Ms. Lawrence pointed out the hi-lited part of the copy of the minutes provided to the board. She explained that she listened to the minutes again to clarify exactly what was said. She indicated that the official minutes will read a little differently. Mr. Hladek recused himself from voting on the minutes as did Mr. Trout as neither were at the last meeting. Mr. White made a motion to approve the minutes. Ms. Legarza seconded the motion which passed unanimously.

E. Requests for Postponement of Agenda Items

Vice Chair Baumann asked if there were any requests for postponement of agenda items. Ms. Lawrence stated there were no requests.

II. CONSENT AGENDA

Vice Chair Baumann asked if there are any items the board would like to discuss or have moved to the public hearing portion of the meeting. Mr. Trout requested that Item B, LP-16-01, be moved down for discussion.

- A. **PW-16-02** A Parcel Map application submitted by Desert Mountain Surveying, as agent for Turner Property Development, LLC, to parcel property into 2 lots. Subject property is located at 1205 East Winnemucca Boulevard; assessor's parcel number 3638-20-476-009.

Mr. Trout made a motion to approve this item. Mr. White seconded the motion which passed unanimously.

III. PUBLIC HEARING - Discussion & Possible Action

- A. **LP-16-01** A division of land into large parcel map application submitted by Desert Mountain Surveying, as agent for Bernard McGawley to divide property into 15 lots. Subject property is located approximately 3 ± miles south of Midas Road on Hot Springs Ranch Road; then 1.9 ± miles northeast along unnamed road, Section 11, T37N, R43E, M.D.B & M.; assessor's parcel #3743-11-100-001. Mr. Milton from Desert Mountain Surveying approached the board. He asked what questions the board had. Mr. Trout stated he had a question of legal counsel. He referred to the preliminary map pointing out the diagonal running through Lot 13. He indicated that the diagonal would appear to have the possibility of creating not 1 but 2 parcels. He stated the last time we had the same type of map before the board District Attorney Mike Macdonald concluded that there was a creation of 2 lots. Mr. Trout said there is a question of whether or not an easement running through a larger parcel creating 2 parcels violates or actually creates the 2 parcels. He asked legal if they had reviewed this particular division (LP-16-01) and concluded that it created 2 parcels or no it does not create 2 parcels. Deputy District Attorney Carr stated that this is the first time she has heard that issue. She indicated that generally when you are dealing with easements running across a property it would not normally create 2 separate parcels. Mr. Trout asked Mr. Milton if he remembered the previous application where Mr. Macdonald made his conclusion. Mr. Milton stated that he did not remember the application. Mr. Trout indicated there have been other situations where roads run through subdivisions and did not create parcels. He stated that these were not labeled as proposed for dedication or designated in some sort of significant way. They were simply like driveways or unmaintained historic roadways that ran through the subdivision. Deputy District Attorney Carr stated that she does not have the specific facts of the case that Mr. Trout is referring to with Mr. Macdonald (Mr. Trout inserted "the Macdonald doctrine"). She indicated she does know the legal description of this particular easement, is it a proposed roadway; a county roadway. Mr. Milton explained that the NRS for Division Into Large Parcels says that easements have to be granted for existing roadways that cross through there, which is what they

have done. This road is used by the rancher to access his property. They proposed an easement on it for the public to use. It is his opinion that the easement does not divide the property unless the owner wants to go a step further and do a record of survey and dedicate that easement showing that it does create 2 parcels. Mr. Milton referred to a copy of a map with the same situation. The 60' easement goes through the middle of Lot 15 and that map was approved. Mr. Trout stated that he knows they have approved a number of these in the past until the last one when Mr. Macdonald brought this up. Mr. Trout said that he does not know if it is totally applicable in this instance. Mr. Trout asked Mr. Milton about his comment that this easement is in favor of the rancher. If this offer of dedication is not accepted will he be offering a separate easement to the rancher for the use of the road? Mr. Milton explained that the map will offer the easement to be offered to Humboldt County for the public use. Whether the county accepts the dedication is a separate deal from the parcel map. Mr. Trout pointed out that there is a separate situation where an existing party is using this diagonal as their access on a ranch. Mr. Trout asked that, assuming the County does not accept the dedication, it would be Mr. Milton's position that the owner of this subdivision would be willing to grant the easement to the owner for that access. Mr. Milton that there is no need to. Mr. Milton explained that all easements shown on the map are offered for dedication. There was further discussion between Mr. Trout and Mr. Milton. Mr. Trout asked counsel, in her opinion, at least in general, the fact that there may be some sort of an easement either in favor of adjacent property owner or an unaccepted offer of dedication but there is an existing use that makes use of that roadway, is there some sort of easement interest, perhaps a prescriptive right in favor of the adjacent owner. He asked if this would not create another parcel in her view. Deputy District Attorney Carr stated that she believes that the re-parceling of this piece of property is not relevant to this particular easement based on the decision today. That easement existed before this parceling occurred. The rights related to that easement were binding to that property before they came here to address re-parceling of the property. It may be an issue, but she does not believe it is an issue related to the decision tonight as to whether or not this property may be re-parceled as proposed. Mr. Trout clarified that Deputy District Attorney Carr does not view it as creating 2 parcels, it's all part of this larger lot 13. Deputy District Attorney Carr stated that she does not see it creating 2 parcels. Vice Chair Baumann asked if there were any other comments or concerns from the board. Hearing none he asked if any members of the public had any comments. Hearing none he brought the item back to the board and asked for a motion. Mr. Trout made a motion to approve this item as proposed by staff. Mr. Hladek seconded the motion which passed unanimously.

Vice Chair Baumann indicated that the next two items on the agenda will be taken out of order.

- B. **SP-16-01** A site plan review application submitted by Jim Billingsley to construct a car wash facility. Subject property is located at 1180 East Winnemucca Boulevard; assessor's parcel #3638-20-477-002.

Vice Chair Baumann asked if the applicant was present and invited him to the table. He then asked the applicant to give an overview on the proposed project.

Mr. Billingsley indicated that he wants to put in a car wash. Mr. Baumann asked if any members of the public had any comment regarding this agenda item. Hearing none he asked the board if they had any comments or concerns. Deputy District Attorney Carr recommended that the motion include an addition to the staff recommendations item #1. She recommended that it be amended to include "compliance with applicable local, state and federal laws." Mr. Trout made a motion to approve of this item with the additional language in staff recommendation item #1 to add the word local after the word applicable and before the word state as recommended by counsel. Ms. Legarza seconded the motion which passed unanimously.

- C. **UW-12-14** A request from Alan Means as Manager of New Vision Development LLC to extend the special use permit period an additional 5 years. Subject property is located at 4360 Rim Rock Road; assessor's parcel #3638-21-400-007.

Mr. Baumann asked staff if there were any additional information. Ms. Lawrence verified that she had e-mailed the letter from Mr. Dolan to the Planning Commission. This letter will be attached to the minutes as part of the record. Ms. Lawrence read two e-mails received today into the record. The first e-mail is from Patrick Morrissey and reads as follows: "Dear Betty I would like to oppose any extension to the temporary man camp. Currently my client the owner of the Union Square Duplex Complex on 4th street has seven vacancies out of 25 units. The man camp does not help this situation. The man camp retards the potential for first class Multifamily development and is unfair to those who have already made the investment.

The other e-mail is from Karandeep (Penny) Nagra who owns the Holiday Inn Express and Candlewood Suites and reads as follows: "Hi Betty Regarding planning permission for temporary man camp SUP extension. I am writing to object to the proposed planning permission for an additional 5 years for the temporary man camp located on East Winnemucca Blvd. This objection is based on several important factors that I hope the council will take in to consideration. Currently we owned two Hotels in town. Holiday Inn Express & Candlewood Suites (brand new extended stay) Facility. Currently our occupancy is below 65% and this man camp does not help this situation. The man camp (sic) hurting the brand new first class extended stay facility we built in 2014, which cost us \$8.3M. I think this is very unfair to us, we made a huge investment in town to accommodate long term stay guests and meet the current demand. If (sic) planning department allow (sic) this man camp, it will be very unfair for us."

Ms. Lawrence also indicated that today she had a conversation with Winnemucca City Manager/Engineer Steve West. The HDA (Humboldt Development Authority) met last night and they had a casual conversation regarding this extension. Ms. Lawrence pointed out that Mr. Gray with HDA was here. They were in support of this extension 100% and saw no problem with it. During her conversation with Mr. West it was pointed out that Mr. Means has put hundreds of thousands of dollars into this community. Without this development the extension of Great Basin never would have occurred; the new sewer line out E. Winnemucca Blvd never would have occurred. These were things the City had in its planning and, because of Mr.

Means coming in and doing everything he did in that area, the City was able to do that and Mr. Means paid for most of that.

Mr. Trout asked Staff about the e-mails from Mr. Morrissey and Mr. Nagra. He said they are talking about in their specific context daily transient users of motel facilities in town. His understanding of the man camp is that it was not a daily activity, that it was short term corporate agreed support to a particular mining company that at the time was anticipating several hundred workers coming in the community with provisions for them to stay on a 90-120 day basis and then turn over as the construction took place. He asked how Staff would respond to Mr. Morrissey and Mr. Nagra regarding their concerns. It almost seems like its apples and oranges. Ms. Lawrence deferred to Mr. Gray to answer that question. Vice Chair Baumann asked if the board had any more questions for Staff.

Patrick Gray approached the planning commission and stated that he is the owner of Century 21, Sonoma Realty in Winnemucca, also the chairman of the Humboldt Development Authority. He stated that he does not represent Mr. Means. He will be offering his personal view on the application. Mr. Gray commented on how the community was hit hard with Hycroft Mining and what happened in 2013. If you followed that and other mining closures that happened locally and mine operation sales, between that and the contractors involved we lost about 1,000 employees. Mr. Trout stated he had a disclosure to make before Mr. Gray continued. He said that on the strength of two newspaper reports that appeared in the Humboldt Sun he purchased 200 shares of Barrick stock. The name Barrick appears in connection with Mr. Means' application, he does not believe that his purchase of those stocks based on the financial reports of the mining company had anything to do with the proposal before the Planning Commission this evening. He stated he does not believe that his 200 shares of stock constitute a sufficient level of involvement with the company, in terms of the hundreds of millions of shares that may be out there, to create any kind of conflict of interest in terms of listening to all party's testimony, objectively evaluating the presentation by all parties, and reaching a reasonable and fair decision based on the information that's presented before the Planning Commission. For that reason he stated he intends to participate in the discussion, to ask question of people making presentations if he has questions, and also to vote on this matter. Mr. Trout said he does not believe he has a conflict of interest that prohibit him, in any way, from participating on this matter. Mr. Gray continued stating that this was a pretty dramatic impact on our economy, not just from a mining standpoint but from service industries, retail and so forth here in town. Mr. Means is probably into the project and RV Park about \$10 million in terms of the work done. As originally proposed, the trailers were owned by Hycroft and Mr. Means would be leasing the spaces to Hycroft and that is how they would be getting their return. Within about six months the contractors were gone so the 3 year period they were expecting to receive revenue did not happen. New Vision continues to take care of the property, they continue to have stays. The numbers he has seen indicate maybe 15 units rented at a time out of about 450 – 500 total. They are not seeing a tremendous return with what they are doing. Mr. Gray indicated we also need to focus on the items in the letter from Steve West regarding the sewer extension, storm drains, utilities, the Great Basin Drive access that were created in a cooperative agreement between the City and

New Vision. The loop road and the park was a cooperative agreement. They donated the land for the Boys and Girls Club, they also donated the land for the City well and the easement involved in providing that infrastructure. Mr. Gray feels that what we have seen of them is that they are friends of our community. They are supporting what we are trying to do. Mr. Gray indicated that he has been involved in Economic Development in Winnemucca since 1992. He said it is extremely hard to find people to come in and invest money in this community. New Vision has been willing to do that, they have hung in and are trying to wait this out and make it work through this transition period. Mr. Trout asked Mr. Gray, based on the information he has, if when this situation developed there was a ground lease involved with Mr. Means' corporation and Hycroft. Mr. Gray confirmed this. Mr. Trout then asked if the ground lease allowed the placement, after the approval of the proposal, for temporary occupancy trailers on the property to be used in connection with a construction project at that time was estimated to take 2-3 years. Mr. Gray confirmed this. Mr. Trout stated that, if his recollection is correct, at the end of the 2-3 year period there was a proposal to redevelop the property from temporary housing to a more permanent type of occupancy. He indicated he did not remember the scope of the permanent occupancy. Possibly a combination of single family dwellings and mobile home park type usage and a storage facility. Mr. Trout asked Ms. Lawrence if that was her recollection. She indicated that she did recall the possibility of removing the temporary housing and putting up storage units. Mr. Trout asked Mr. Gray if he could provide any additional information about who, if anyone, has an existing contract. Mr. Gray indicated that he is not aware of anything on a large scale, long term basis. Mr. Trout pointed out that in the letter from Mr. Means he indicated that he is not competing with the hotel and motel operators in the community. He was not renting the units on a transient basis. Mr. Gray confirmed that the door is not open to the public. Mr. Trout asked Mr. Gray how he would respond to the concerns of Mr. Morrissey and Mr. Nagra. Mr. Gray stated that at the rate they are currently renting, 15 units, he does not know that if you spread 15 across all the hotels and apartment facilities in Winnemucca that that is a significant impact on the community. Mr. Trout questioned that in order for Mr. Means to recapture his investment he would need to approach the level of occupancy from the original plan of 300+ units being occupied, why would Mr. Gray say that that type of occupancy level even if it's on a contract basis with private companies not a public basis competing with the hotel and motel owners would not create an economic problem for them as Mr. Morrissey and Mr. Nagra suggest. Mr. Gray stated that he was referring to where we are at and what has happened thus far. As far as what is going to happen in the future, we don't know and that is the nature of Humboldt County and doing business here. It is hard to determine what is going to happen in the next 2 years. Mr. Trout asked that for purposes of assumption, let's assume that, as mentioned in the paper, Barrick and perhaps Newmont and perhaps Gold Corp do expand and do need more construction and temporary workers. Let's assume for this discussion that it approached the 200-300 occupancy level at the man camp. In Mr. Grays view, because of the nature of the occupancy and the fact that they are not competing for 2 or 3 night visitors or even week long visitors to community that it would not be a competition with the existing hotel and motel owners? Mr. Gray indicated that historically there are long term renters that do stay in the hotels. He said he does think that it would create some competition. He suggested that some of the hotel and motel owners present

may be able to provide some of that information. He indicated that if you step back and look at the situation we are in, it did not go as planned. Things did not go the way they had planned, so here they are with a significant investment in the community, and the need to recoup at least some of that. What else are they going to do with the property, it is there so the question before us is, given what they have done for our community, and what they will continue to do for our community, should we allow them the opportunity to recoup some of that and provide that business. At this point we are talking about a special use permit. The facility is there and it's available. In his mind will we be basically putting them out of business by not allowing them to operate out there? Mr. Trout asked Mr. Gray if he didn't believe that we would be having a similar impact on the existing hotel and motel owners in the community. Mr. Gray stated there would be an impact. (6:08:45) Mr. Trout said there would be an impact but would we be putting them out of business if they were to approve this particular action. Mr. Gray indicated that he does not think that this would put them out of business. The experience when they were first going to open up, they (C-21) were handling some of the property management but ended up not handling it due to the lack of people involved. What they were seeing was that a lot of folks that would go up there would say this is too small for me, this is not where I want to be. They would then go and look at other options. It is not like it was 100% of the workers would go into the facilities and that is where they wanted to be. They would want to be in a hotel or someplace else. He stated that he does not think that, looking at the 300 proposed occupancy, a lot of the workers did not want to be at the man camp. Mr. Trout asked Mr. Gray if he has seen Mr. Dolan's letter. Mr. Gray indicated that he has. Mr. Trout stated that Mr. Dolan raises the issue that a business decision was made and Mr. Dolan argues that this is an attempt to come to a governmental agency and to have the governmental entity bail out an existing business decision that did not go according to plan. Mr. Trout stated that he believes that the flaw in Mr. Dolan's comment is that we (Humboldt County) are not making any money available to anyone for that purpose. Mr. Gray stated that he would like to see how anyone is being bailed out. Mr. Trout said that Mr. Dolan argues that this is a form of a bail out. Mr. Trout indicated that Mr. Dolan is in error on that point and Mr. Gray agreed. Mr. Trout pointed out that there is no money going forward or being given to them as some kind of special financing. The risk that the proposer takes is still continuing. He may or may not recapture any significant money over the next 3-5 years regardless of what the board does. Mr. Gray indicated that this is a fighting for your life situation. If they are not able to continue what they are doing, they will lose a significant amount of money. From his perspective he thinks that they have been good citizens and good neighbors. They have helped the community out with a lot of projects and development. Prior to them going out there the City had nowhere to go. He used Taco Bell as an example of how hard it was to find a place along the boulevard. It did not work out E. Winnemucca Blvd because there was no sewer or water. The other option was to go on the other side of the interstate which was too expensive with no access. New Vision has been a huge benefit for the City. He said it would have been 10-20 years before we would have seen anything like that type of development out E. Winnemucca Blvd. Vice Chair Baumann asked of the board if they had any more questions for Mr. Gray. Hearing none Mr. Baumann asked if there were any members of the public who would like to comment on this matter. (6:12:29)

Terry Boyle who operates Winnemucca Inn, Best Western Gold Country, Holiday Motel approached the board. He is opposed to the extension. He indicated that he does not understand the original special use permit (SUP). He believes that the customers at the man camp are transient customers. If the facility was not there, they would be staying in motel rooms. At the time the facility was built, motel rooms were tight, housing was tight. The situation has changed. He referred to Mr. Dolan's letter and the comment that the market has changed. There has already been one extension, the original SUP was for 34 months, another 30 months was granted. It is good until the end of 2017 the way it sits right now. Now they are asking for another extension for 5 years which would be 10 years and 4 months on a temporary SUP. Mr. Boyle referred to the letter from Alan Means, pointing out that he mentions temporary housing for construction and mine related workers. Mr. Boyle indicated that when this project originally was started Mr. Means came before the WCVA (Winnemucca Convention and Visitors Authority) and explained this was for Hycroft employees and subcontractors on that side of the park. At that time, WCVA determined that since the man camp would be private, there would be no room tax implications as long as it was Hycroft employees being housed. That has all changed, it is no longer just mine and mine related construction. He referred to the New Vision website for the man camp. He pointed out that throughout the country the corporate base for hotels are employees that are in various communities on business related activities. From the website it appears they have gone beyond the mine construction specifically. He referred to Brian Stone with the Winners who had a specific story he related to Mr. Boyle where he had some construction workers that were working on the high school and they were solicited at the job site to move from the Winners to the man camp. Mr. Trout asked Mr. Boyle to explain what exactly happened. Mr. Boyle repeated what he was told and indicated that it was the principal of the high school who shared this information. Mr. Hladek asked for verification that it was not Mr. Means doing the soliciting, and Mr. Boyle indicated that no, it was not him specifically. He feels that the man camp is competition for the hotels. He questions whether the activities currently going on comply with the original SUP. Mr. Trout asked Ms. Lawrence what she would say in answer to Mr. Boyles comment. Ms. Lawrence indicated that she felt that Mr. Means should be present so that he can explain what is going on. Mr. Boyle indicated that he had spoken with Mr. Nagra that morning regarding what he was trying to relate in his e-mail, namely that Mr. Nagra has built an extended stay market. What Mr. Means is trying to do at the man camp is go after the extended stay. Mr. Nagra mentioned to Mr. Boyle that they have had some of their customers solicited at very low rates to go to the man camp instead of staying at his property. Mr. Trout asked who had done the soliciting, Mr. Boyle stated he did not know the details. Mr. Trout asked Mr. Boyle if it would be his view that this proposed project is not just a corporate specific activity, but that it is much broader now and that it does compete. Mr. Boyle pointed out that corporate specific is very broad. Mr. Boyle pointed out that originally it was one company and one company's activities, then it was vaguely referenced to one industry (mining and mining related construction), now it's open up, on the website, to any employee needing housing in Winnemucca. That is a corporate, transient hotel customer. Mr. Trout asked Mr. Boyle if he would view this as a form of extended stay occupancy which competes directly with Candlewood an extended stay occupancy, as well as competes with other hotels

in the area. Mr. Boyle said that most of the smaller motels in the area offer weekly rates so they are also after those extended stays. Mr. Boyle referred to Mr. Gray's comment about low occupancy at the man camp. If they are able to fill 390 units with potentially hotel customers that will be devastating. WCVA has already seen room tax collections drop from the peak years (2012 and 2013) by 15-16%, even with the added capacity of New Frontier and Candlewood hotel. Mr. Trout asked if the WCVA would receive room tax from this particular project. Mr. Boyle indicated that they do receive room tax. Mr. Trout asked that in terms of paying room tax, would they be on a level playing field with everybody else. Mr. Boyle stated that as far he knows, yes, but he does not know the details. Mr. Hladek referred to the letter received from Alan Means stating that they have restricted their rentals to employees of companies working in construction mining projects in Winnemucca area. We do not advertise nor do we accept normal walk-in traffic. He referred to Mr. Boyle's comments about the website and feels that there needs to be some clarification. He agrees that Mr. Means needs to identify to the commission exactly what the scope is and what the activities are associated with that man camp. He does not feel that this is a time critical issue so he thinks they have time to ask the owner and manager to be here. There was discussion regarding the current website and the possibility of more detailed advertising in the future.

Tom Bidegary approached the board. He has Winnemucca Tax Service and represents 11 of the motels, all the little motels. He indicated that one-half or a third of their tenants are not transients. They are people who either work in this town, construction people, they come in and stay. At the Budget 60% of the customers are weekly and monthly tenants. This could be said for over half of the motels. Last year two of the motels went under. They are down 65% in the room rents. They had a problem with Mr. Means about a year ago. The man camp was set up for the construction workers at Hycroft. He indicated that they lost 4 of their tenants that were working at a site in town. He asked them where they were going. They stated that they were taking rooms at the little modules that they put up for them. Mr. Bidegary had his wife call the man camp, told them they were bringing 15 people in to do construction on concrete here in town. The lady representing them said no problem, we'll let you have all the rooms you want. He complained to the Planning Department about this because this was set up to handle Hycroft workers. He also made a complaint to Mr. West. Mr. Bidegary went on to voice his concern that motels are hurting. He referred to Mr. Means' letter stating the new proposal is for construction and mine workers. He takes this to mean that if you wanted to come to town and do a little sheetrock on a house here in town, you could use those units. Mr. Bidegary went on to voice his concern about the usage of the man camp units and how they will take away from the little motels in town. He stated that he is fine with the extension as long as the man camp units were used for mining/mining construction business and stay away from the people that they would normally get. He referred to the park model units in the RV park and how they have taken away business from the motels. Mr. Bidegary stated that Mr. Means got everything free. You talk about a land swap and all that stuff, if he remembers Mr. Means did not have to pay the City back for the streets and the gutters and all that stuff. He, Mr. Bidegary, wanted to develop downtown and Sherrie (Chaplin, prior City Building Inspector) said that it would cost him \$8,000

to \$12,000 per unit do develop. He asked her how Mr. Means got all the units in and didn't have to pay a penny. He asked if we were trying to move the City, questioning the development east of town. Mr. Bidegary stated again that the hotels/motels are hurting and the man camp will be in direct competition with them if the 100-300 man camp units are opened. He again commented that he had no problem with the man camp if it is for the purpose of a mining thing and if they are to build a new plant, or a new mill station. He stated Mr. Means wants to compete with the rest of them, he wants to take away as many people as he can out of the motels. He said that if the board wants to extend the SUP for another 5 years it should be for mining construction purpose. Mr. Trout indicated he would like to ask Mr. Bidegary a few questions. Mr. Trout pointed out that 3 years ago the occupancy levels in the town were much higher than they are now. The economic conditions at the time were quite different than they are today. The business cycle nationally has been down, may or may not be coming back somewhat. In the gold industry things have continued to be down, although there is some movement to suggest it may be improving. Some people would argue that the change in business circumstance is a business risk that anyone in business takes. It has affected Mr. Means' business in what he wanted to do as it has affected the businesses he (Mr. Bidegary) represents as well. (What would he say to the people who say that this is just a business cycle at work and that the planning commission action, in and of itself, does not aggravate the situation if it has the limitations he proposes. Mr. Bidegary stated that is not true, because Mr. Gray told them it has no difference. That place was set up for the mining people, it was not set up for the rest of us. This is a bail out, this is bailing that person out because he can't survive, he can't make it and he has lost a whole bunch of money. That is simply the way it goes. You are right, there is a trend. He tells everyone 18 more months before they will even start trickling up again. This is a bail out, you have a person who built something for a specific purpose. That was it, none of them argued at the time it was built. Then things started going bad and he started competing against the rest of them which wasn't supposed to happen. This is a bail out because if you allow him to use those units to go against their motel rooms, then the money is coming from the people of this town and going directly to him. This is not a normal business deal that was built for a specific purpose, it didn't work, it should go under. There's a lot of people ready to buy those units and there's a lot of people to transfer those units out of here because they don't belong. Otherwise make them put the streets in, make them put all the things the rest of us have to put in and pay for. This is a bail out and the bail money is coming from all of us motels who have to compete with 300 new units over there. Mr. Trout pointed out that on the other hand, if the restriction to mining construction is a requirement of the CUP (actually SUP) it would not be a bail out. It would not be directly competing with the smaller hotels based on his earlier comment. Mr. Bidegary said he would agree to that if it is just for the mining and related construction. But when you put in this unspecified construction, you open it for everybody who walks in this town. He (Mr. Means) is going to charge \$20 a night based on what was reportedly quoted. How are the small hotel owners going to compete at \$40 a night, if M. Means is going to things at \$20? If they (New Vision) are going to have a large group of people come in for a specific mine to build a new mill or something like that, that is great, but he took his risks when he first signed up for this thing and when he built it. Why should the Planning Commission let him out of that and

start taking money away from the rest of them? Mr. Trout clarified that the Planning Commission does not set rental rates. Mr. Trout stated that while the Commissioners appreciate the economic information the Mr. Bidegary is providing, and it gives background, the issue before the RPC is whether or not to grant an extension of a conditional use permit. He thinks that the focus needs to be on that particular issue, if he is not mistaken. Deputy District Attorney Carr clarified that yes they are focused on the issue before them, which is to decide if there is good cause that exists to extend the permit. The competitive issue and the impact on other businesses is an issue, but is not what they are deciding on this particular item. Mr. Trout asked if it went to the issue of good cause. Deputy District Attorney Carr stated there is some reasonable argument that it is related to that. Mr. Trout thanked Mr. Bidegary for the information he has provided. Mr. Hladek commented that they need more information from Mr. Means. He feels that it is in the best interest of the commission to get additional information so an informed decision can be made. Mr. Trout stated that he shares Mr. Hladek's concerns. Deputy District Attorney Carr stated that the commissioners have two options. They can continue to hear evidence and public comment or they can continue the item and continue to obtain additional information. Mr. Hladek commented that relative to additional discussion he would like to hear anything new rather than just a different view point on the same information. He thinks they have seen a lot of information relative to the potential impact, if there is some other type of information he thinks it would be well for the commission to hear it. Mr. Trout pointed out that the owner of the Winners Hotel is here and they he had specific additional information related to this.

Vice Chair Bauman concurred with Mr. Hladek and Mr. Trout that if there is any new information, please feel free to come up and state your comments.

Brian Stone, the general manager of Winners Hotel and Casino approached the Commission. The only thing he would add to this is that he does not see the urgency of making this decision today. It seems like the commissioners have a lot of time between now and the end of 2017 to get the facts. Mr. Trout asked about the workers at the Winners Inn who were staying at the Winners Inn that were solicited by another party to relocate to the man camp. Mr. Stone stated they were not doing work at their property, they were doing work at the high school. Second hand information was that they were told of a better deal, that they could go up to the man camp and stay. This happened 6-7 months ago, that is when he realized they were renting those units. His biggest concern was that all of a sudden they have almost 400 units thrown on to the market of a 1,000 room market. Competition is good, if somebody can get the deal quicker and better than him, then more power to them. Everything that he has read doesn't seem like it is on the same playing field. This was specifically for one purpose and he's not exactly sure what the definition of marketing is but if you put on your website "we sell rooms to employees" whether you can click on and get the room then or call them up, to him that is marketing.

Vice Chair Bauman asked if there were any other members of the public that have anything they would like to add that has not already been discussed. Caroline Graham, operations manager for New Vision Development, approached the

Commission. She stated she wanted to respond to a couple of inaccuracies. They do not solicit; she has never solicited employees at a job site or another casino. She has never contacted companies and asked them to move employees from another hotel or motel. They do not operate that way. They are not a motel, they are a man camp. They only rent to companies. If you as an employee walk in and talk to her she will tell you she cannot talk to you, she will only talk to a representative of your company. They do not rent to one employee, at that point they can go to a hotel. They rent in blocks. With regard to the \$20 a night comment. She remembers a year and a half ago talking to Ms. Lawrence about the reported call Mr. Bidegary referred to. The man camp was completely closed for 2014. The only person in Winnemucca authorized to discuss rates or occupancy of the man camp is her. That call did not come to her. Mr. Bauman asked about the renting of blocks. Is there a minimum block size that you have to have before they start renting? Ms. Graham indicated that they do not like to entertain anything under 3 rooms, they do not like to entertain anything under 3 nights. They only have a nightly rate in the event that a person or persons are here for 22 nights. They get charged a weekly rate and then there is the one extra night. Mr. Trout pointed out that a number of the previous witnesses said they did not say that a representative of New Vision or that Mr. Means had done the solicitation or the referral but they did cite examples of other people in the community who may or may not have. Is she aware of any such referrals being made? Ms. Graham stated that she does not have personal knowledge of any of the referrals. Her response would be that if they had had a company that stayed and were satisfied with the service and the accommodations that their employees received, perhaps they mentioned it to another, which happens in any industry. Mr. Hladek asked for clarification that the organizations that they would deal with do not have to be associated with the mining industry. Ms. Graham stated that at this juncture, no they are not. She gave an example of talking to the Bureau of Land Management after they contacted her. For both projects that were done at Valmy, a group of electrical workers contacted her. Again, they do not tell them they are a hotel, they don't offer the amenities that the hotels offer. They offer a very small room, they do not offer daily service, they do not offer Wi-Fi. They have had companies whose employees do not like it, they go to a hotel because they want those amenities. Mr. Hladek asked what the highest occupancy has been. Ms. Graham ran the occupancy for 2015 and occupancy rate on 207 rooms was 12.62% for the entire year. Mr. Hladek asked if Ms. Graham knew how much is paid to the City and County in taxes, are there real estate taxes paid in addition to the room tax? Ms. Graham indicated that in 2014 the room tax, which includes the RV park and man camp (which was closed in 2014) between occupancy tax and property tax New Vision paid \$44,701.92. In 2015 in both taxes New Vision paid \$91,638.09. She thinks this speaks directly to Mr. Dolan's comment that they are not paying their way, they are contributing to the community with regard to tax income.

Mr. Bauman asked if there were any other members of the public who wished to comment and add anything new to the discussion. Hearing none, Mr. Bauman closed the public comment period. Mr. Trout made a motion to continue the public hearing to the next meeting and that Mr. Means be invited to be present to answer questions and to hear the comments from the public and respond to them as part

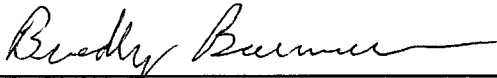
of the public hearing. Deputy District Attorney Carr stated that the only recommendation she would make to that motion is to continue it to the next meeting that Mr. Means is available. Mr. Trout restated his motion that they continue the public hearing to the next meeting that Mr. Means is able to be present at in order to receive additional information from Mr. Means, to receive additional information from the members of the public and from the hotel and motel community and the real estate community, and to allow Mr. Means the opportunity to respond to those comments as part of the public hearing. Mr. Hladek seconded the motion which passed unanimously.

IV. PUBLIC COMMENTARY - Discussion & Possible Action

Mr. Bauman asked if there was any public comment on anything that was not on the agenda. There were no comments from the public.

V. ADJOURN - Discussion & Possible Action

Mr. Bauman adjourned the meeting at 6:54 p.m. until June 9, 2016.



Brad Bauman, Vice Chair

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