



STOREY COUNTY PLANNING COMMISSION MEETING

Thursday August 23, 2018 6:00 p.m.
Storey County Courthouse, District Courtroom
26 South B Street, Virginia City, NV

MEETING MINUTES

CHAIRMAN: Jim Hindle

VICE-CHAIRMAN: John Herrington

COMMISSIONERS:

Larry Prater, Kris Thompson, Laura Kekule, Summer Pellett, Jim Collins

-
1. **Call to Order:** The meeting was called to order by the Chairman at 6:03 P.M.

Roll Call: Jim Hindle, Summer Pellett, John Herrington, Kris Thompson, Larry Prater, and Jim Collins.

Absent: Laura Kekule

Also Present: Planning Director Austin Osborne, Planner Kathy Canfield, and Deputy D.A. Keith Loomis.

2. **Pledge of Allegiance:** The Chairman led those present in the Pledge of Allegiance.

3. **Discussion/Possible Action:** Approval of Agenda for August 23, 2018.

Motion: Approve agenda for August 23, 2018, **Action:** Approve, **Moved by** Commissioner Prater, **Seconded by** Commissioner Pellett, **Vote:** Motion carried by unanimous vote (**summary:** Yes=6).

4. **Discussion/Possible Action:** Approval of Minutes for June 21, 2018.

Motion: Approve Minutes for June 21, 2018, **Action:** Approve, **Moved by** Commissioner Prater, **Seconded by** Commissioner Pellett, **Vote:** Motion carried by vote (**summary:** Yes=3), **Abstain:** Kris Thompson, Jim Hindle, Jim Collins.

5. **Discussion/Possible Action:** Approval of Minutes for July 19, 2018.

Motion: Approve Minutes for July 19, 2018, **Action:** Approve, **Moved by** Commissioner Prater, **Seconded by** Commissioner Herrington, **Vote:** Motion carried by unanimous vote (**summary:** Yes=4), **Abstain:** Kris Thompson, Jim Collins.

6. **Presentation (Annual SUP Update):** By Comstock Mining, LLC. (Gold Hill/American Flat) Special Use Permit Holder to present its annual compliance review in accordance with the conditions of Special Use Permit No. 2000-222-A-5.

Planning Director Osborne: There is a special use permit applicable to this company, and one of the conditions is to present to the planning commission an annual compliance review.

Corrado DeGasperis, President and CEO of Comstock Mining: Gave a power point presentation for the annual compliance review (see details below).

We mined actively from 2012 to 2015, then another 12 to 15 months, and at the end of 2016 we stopped processing. We are still actively developing, planning, engineering, and doing reclamation.

He introduced two new additions to their team. Mr. Ron Laiken has re-joined us. He was with us previously and is now director of Health Safety and Environmental Protection, and Mr. Leo (inaudible) has joined our board. We have continued commitment to the environment and environmental protection.

Compliance Review Outline

- Site Overview and Disturbance Acreage
- Review of SUP Compliance
- Status of Silver City Water Line Plans and Actions
- SR 342-2017 Award
- Reclamation
- Underground Mine
- Monitoring Report
- Tonogold Resources Inc. Option Update

Mr. DeGasperis discussed the information on the charts below.

Phase	Permit Acres	Used Acres
Active Mining	120	42
Mine Definition	20	0
Exploration	20	0
Active Reclamation	0-50	18.9
Reclaimed	N/A	11.1

Special Use Permit Condition	Compliance certification
I. General Provisions	Compliant
II. Operating Plan	Compliant
III. Boundaries and Uses	Compliant
IV. Environmental Controls	Compliant
V. Fire & Emergency	Compliant
VI. Transportation	Compliant
VII. General Uses	Compliant
VIII. Cultural Resources	Compliant

Silver City Waterline Protection

- No Mining or Exploration Took Place in Proximity to the Silver City Water Line (SCWL)
- Per the SCWL Protection Plan Storey County will be Notified Prior to any Future Activities

Award Received for State Route 342 Realignment

- 5/17/2017 Final inspection close out letter received from NDOT
- 5/24/2017 Surety Bond for the amount of \$65,000 was released by the Storey County Planning Dept.
- 8/4/2017 Comstock Mining nominated for Nevada Division of Minerals Excellence in Reclamation Award

Reclamation

- Keystone Vegetation Well Established
- Billie the Kid, Hartford and Justice Reclamation is Advanced
- Hydro Seeding for these Areas Completed in the Fall of 2016 and is Well Established
- 11.1 acres have been reclaimed, with 18.9 acres actively being reclaimed within the mine area.
- NDEP/BMRR Inspection in May, 2018 found Comstock Mining in compliance with all aspects of the reclamation permit.

Mr. DeGasperis said that Comstock Mining won Excellence in Mine Reclamation awards in 2015 and 2017.

Comstock Foundation for History & Culture supports:

- Long-range plans to address the preservation for historic structures;
- Fully document or mitigate archeological or surface resources affected by any undertakings;
- Supported by a dedicated 1% Net Smelter Revenue royalty.
- 2012-2016 Comstock Mining generated \$899,000 in royalties;
- Contributions to the Foundation totaled \$935,000

Comstock Mining is partnering with Tonogold on the Lucerne Mine Project. They are committed to spending \$20M dollars over the next three years in drilling, developing and engineering. If they do that, the current arrangement earns them 51% of the Lucerne Mine. They are good miners, and Comstock is impressed with their approach. Nothing is done without Comstock's cooperation. They don't own anything, they just have the right to do this under our supervision.

Commissioner Prater: If they become 51% owners, then they control the operation? And are they aware of the restrictions placed on Comstock and will they continue those?

Mr. DeGasperis: Yes, 51% of the Lucerne Project, but Comstock still owns all the infrastructure. They would control the mining activities. They absolutely know about the restrictions and will continue to follow them.

Planning Director Osborne: Stated that condition 8.5 in the special use permit does require that 1% of Net Smelter return into historic preservation. The county believes that has occurred, however, we don't know that it has occurred. We are taking the documentation that Corrado and his team have provided and additional information to make sure that the net smelter proceeds (1%) have been given to the Comstock Foundation, and then through the Foundation out to the community. We are auditing all the financial documents with the Comptroller's office to support that this has occurred. Comstock has been completely cooperative in this process. A second component of condition 8.5 is that a Memorandum of Understanding (MOU) be created and approved by the board and reviewed by the District Attorney's office. The MOU never happened. It was an oversight. We are working with Comstock and the District Attorney's office to get this MOU. It will be retroactive. Planning Director Osborne stated that Comstock is compliant with the SUP otherwise. He communicates with NDEP and other agencies. There are no issues.

There was no public comment on the Comstock Mining compliance review.

7. **Discussion/Possible Action:** Ordinance No. 18-274 amendment to the Storey County sign ordinance, Storey County Code Title 17 Zoning, including Chapters 17.84 Signs and Billboards, 17.12 General Provisions, 17.15 Public zone, 17.16 R1 Single-Family Residential zone, 17.20 R2 Multi-Family Residential zone, 17.24 A Agriculture zone, Chapter 17.28 C Commercial zone, 17.30 CR Commercial Residential zone, 17.32 F Forestry zone, 17.34 I1 Light Industrial zone, 17.35 I2 Heavy Industrial zone, 17.40 E Estate zone, 17.44 SPR Special Planning Review zone, and 17.10 Definitions as pertaining to signs and billboards, and other properly related matters. Additional information including, but not limited to, draft text may be obtained from the Planning Department at 775.847.1144 or planning@storeycounty.org, or viewed online at

<http://storeycounty.org/517/Updates>. In addition to the provisions of the NRS, any person may complete and return to the Board a statement supporting or opposing the proposed amendments to the county code and/or zoning ordinance.

Planner Canfield: Staff is asking to continue this item to the October 4, 2018 Planning Commission meeting and the October 16, 2018 Board of County Commissioner's meeting. She said she has not been able to work on this since the last meeting due to other projects, and no revisions have been made.

No public comment.

Motion: Continue Ordinance No. 18-274 amendment to the Storey County sign ordinance to the October 4, 2018 planning commission meeting at 6 p.m. and October 16, 2018 Board of County Commissioners meeting at 10 a.m. located at the Storey County Courthouse, District Courtroom, Virginia City, NV, **Action:** Approve, **Moved by** Commissioner Prater, **Seconded by** Commissioner Thompson, **Vote:** Motion carried by unanimous vote (**summary:** Yes=6).

8. **Discussion/Possible Action:** Determination of next planning commission meeting.

Motion: Next planning commission meeting to be held on September 6, 2018, at 6:00 P.M. at the Storey County Courthouse, District Courtroom, Virginia City, Nevada, **Action:** Approve, **Moved by** Commissioner Thompson, **Seconded by** Commissioner Pellett, **Vote:** Motion carried by unanimous vote (**summary:** Yes=5, Nay=1, Larry Prater, will be out of town).

9. **Discussion/Possible Action:** Approval of claims – None

10. **Correspondence (No Action)** – None

11. **Public Comment (No Action)** – None

12. **Staff (No Action):**

Planner Canfield: Gave an update on what she has been working on. Storey County is part of the National Flood Program. As part of this, we have participated with FEMA and the Community Rating System (CRS) which gives discounts for flood insurance depending on what rating the county has. One of the criteria for this program and earning a discount, is a 5 year audit which is due on Monday. She stated that she has been preparing for the audit for the last month, it is labor intensive and a lot of work. She's been working on tracking down a lot of the different items that can help the county get a good rating. In 2017 they added additional things to complete in order to gain points which contribute to getting a better rating. The county's rating now is 8. Been working on putting all of this together. It is a lot of work, and this is what she has been concentrating on. She said that she meets with the auditor on Monday, and they may have a list of things to correct. She said she identified some things to do in the future to improve the process. There are things we are doing now, but they are not being documented very well. Working on fixing that. This program is applicable to the whole county, and in order for someone to purchase flood insurance, even if they don't live in a flood plain, the county needs to be a part of this program. People that live in a flood plain such as Lockwood, are already required to purchase flood insurance.

Planning Director Osborne: This is a huge project and Kathy is doing a great job. She has been doing work that is usually completed by an entire department.

Welcomed Jim Collins to the planning commission. There were two good applicants, but we thought with Jim's small business, construction and contracting experience, he brings to the table a different perspective, and that's what we're looking for.

AT & T is working on preparation for submitting building permits to put equipment on the monopine in the Highlands. He said he believes it will provide 5G and broadband internet service. It should be up and running in late October. They are also working on putting a "water tower" design in Virginia City close to the flag pole tower and it will provide the same service. The flag pole tower and the proposed new tower are two different carriers.

13. **Board Comments (No Action)** – None

14. **Adjournment (No Action)** - The meeting was adjourned at 6:53 P.M. Respectfully Submitted, By Lyndi Renaud