STOREY COUNTY BOARD OF COUNTY COMMISSIONERS MEETING

09/01/2020 9:15 A.M.

26 SOUTH B STREET, VIRGINIA CITY, NEVADA*

AGENDA

No members of the public will be allowed in the BOCC Chambers due to concerns for public safety resulting from the COVID-19 emergency and pursuant to the Governor of Nevada's Declaration of Emergency Directive 006 Section 1 which suspends the requirement in NRS 241.023(1)(b) that there be a physical location designated for meetings of public bodies where members of the public are permitted to attend and participate.

Further, due to the Governor's mandated steps to protect against the spread of COVID-19, the Storey County Board of County Commissioners are hosting a teleconference meeting this month. Members of the public who wish to attend the meeting remotely, may do so by accessing the following meeting on Zoom.com. Public comment may be made by communication through zoom.

***Join Zoom Meeting:** **https://zoom.us/j/597519448** **Meeting ID: 597 519 448**

Dial by your location
+1 346 248 7799 US (Houston)
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Meeting ID: 597 519 448
Find your local number: https://zoom.us/u/adi9WjdtNr

For additional information or supporting documents please contact the Storey County Clerk's Office at 775-847-0969.

MARSHALL MCBRIDE
CHAIRMAN

ANNE LANGER
DISTRICT ATTORNEY

JAY CARMONA
VICE-CHAIRMAN

LANCE GILMAN
COMMISSIONER

VANESSA STEPHENS
CLERK-TREASURER

Members of the Board of County Commissioners also serve as the Board of Fire Commissioners for the Storey County Fire Protection District, Storey County Brothel License Board, Storey County

Water and Sewer System Board and the Storey County Liquor and Gaming Board and during this meeting may convene as any of those boards as indicated on this or a separately posted 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. Pursuant to NRS 241.020 (2)(d)(6) Items on the agenda may be taken out of order, the public body may combine two or more agenda items for consideration, and the public body may remove an item from the agenda or delay discussion relating to an item on the agenda at any time. The Commission Chair reserves the right to limit the time allotted for each individual to speak.

All items include discussion and possible action to approve, modify, deny, or continue unless marked otherwise.

1. **CALL TO ORDER CLOSED SESSION AS THE 474 FIRE PROTECTION DISTRICT BOARD AT 9:15 A.M.**

   Call to order closed session pursuant to NRS 288.220 for the purpose of conferring with district and county management and legal counsel regarding labor negotiations with the Storey County Firefighters Association IAFF Local 4227. ***This meeting will commence prior to the regular meeting of the Storey County Board of County Commissioners.***

2. **CALL TO ORDER REGULAR MEETING AT 10:00 A.M.**

3. **PLEDGE OF ALLEGIANCE**

4. **DISCUSSION/FOR POSSIBLE ACTION:**

   Approval of the Agenda for September 1, 2020

5. **DISCUSSION/FOR POSSIBLE ACTION:**

   Approval of the Minutes for August 4, 2020

6. **CONSENT AGENDA**

   I For possible action, approval of claims in the amount of $1,041,515.38

   II For possible action, approval of business license first readings:
   - **A. Lawson Drayage, Inc. -** General/ 1280 Electric Ave ~ Sparks, NV
   - **B. Martin Bauer Inc. -** General / 625 Waltham Way Ste. 101 ~ Sparks, NV
   - **C. Monster Tree Service of Greater Reno -** Out of County / 4850 Bryce Dr. ~ Carson City, NV
   - **D. N D I Plumbing Inc -** Contractor / 39 Glen Carran Circle ~ Sparks, NV
   - **E. Shaheen Beauchamp Builders, LLC -** Contractor / 318 N. Carson St. Ste. 202 ~ Carson City, NV
   - **F. Stealth Finishing, LLC -** General / 1335 Alexandria Ct. ~ McCarran, NV
   - **G. Schenker, Inc. -** General / 3300 Waltham Way, Ste. 106 ~ McCarran, NV

III For possible action, approval of Assessor's Recommended Correction to 2020-21 Secured Tax Roll for Exemptions.

IV For possible action, approval of resolution 20-589, a resolution to direct the County Assessor to prepare a list of all the taxpayers on the secured roll in the County pursuant to NRS 361.300(3)

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

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

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

10. **DISCUSSION/FOR POSSIBLE ACTION:**

Authorize the County Manager to approve a contract with the United States Geological Survey (USGS) up to $25,000 to continue voluntary and limited monitoring of groundwater levels and quality, aquifer conditions, and other geotechnical matters in the Virginia City Highlands, Highland Ranches, and Virginia Ranches area of Storey County during the 2020-21 fiscal year. This is a continuation of the prior year contract for this purpose.

11. **DISCUSSION/FOR POSSIBLE ACTION:**

Approval of amendments to the 07/21/20 Memorandum of Understanding (MOU) between Storey County, Carson City, and the Truckee Meadows Water Authority (TMWA) as a preliminary expression of general intention and to provide the basis for negotiations of a definitive agreement with the State of Nevada with respect to deliveries of water from the State-owned Marlette Lake Water System. Amendments will clarify language strengthening Storey County's participating role in the MOU and clarify language regarding potential surplus water for current and future use by the parties. A definitive agreement for board consideration is planned to be ready in two years.

12. **RECESS TO CONVENE AS THE 474 FIRE PROTECTION DISTRICT BOARD**

13. **DISCUSSION/FOR POSSIBLE ACTION:**

Approval of modification and extension of 2017-2019 Collective Bargaining Agreement between the Storey County Fire Protection District (Employer) and Storey County Firefighters Association IAFF Local 4227 (Union).

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

15. **DISCUSSION/FOR POSSIBLE ACTION:**

Consideration and possible approval of Ordinance No. 20-310 authorizing the issuance by Storey County, Nevada of its Sewer Revenue Bond, Series 2020 in the maximum principal

amount of $264,000 for the construction of the sewer plant in Gold Hill, Nevada and providing other matters relating thereto.

16. **DISCUSSION/FOR POSSIBLE ACTION:**

Consideration and possible adoption of Ordinance 20-311 authorizing the issuance by Storey County, Nevada of its Water Revenue Bonds, Series 2020A, Series 2020B and Series 2020C in the combined maximum principal amount of $3,171,000 in order to finance the Five Mile waterline and Hillside tank projects and providing other matters relating thereto.

17. **RECESS TO RECONVENE AS THE STOREY COUNTY BOARD OF COUNTY COMMISSIONERS**

18. **DISCUSSION/FOR POSSIBLE ACTION:**

Consideration and possible approval of acceptance of HAVA Election Security Grant and terms from the Nevada Secretary of State in the amount of $15,939.93 for the purpose of elections segregation and MFA (Multi-Factor Authentication) Prototype Project. Source of funds is the US Election Assistance Commission.

19. **DISCUSSION/FOR POSSIBLE ACTION:**

Approval of business license second readings:

A. **AECOM Design, A Professional Corp. -** Professional / 8985 S. Eastern Ave Ste 130 ~ Las Vegas, NV
B. **Atlas Land Development, LLC** - Contractor / 4363 S. Jumbo Way ~ Carson City, NV
C. **Jimmy's LLC** - Out of County / 3475 Ormsby Ln. ~ Washoe Valley, NV
D. **Road and Highway Builders, LLC** - Contractor / 950 E. Mustang Rd. ~ Sparks, NV
E. **Tenaska Power Services Co** - Out of County / 300 E. John Carpenter Freeway Ste 1100 ~ Irving, TX

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

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

NOTICE:

- Anyone interested may request personal notice of the meetings.
- Agenda items must be received in writing by 12:00 noon on the Monday of the week preceding the regular meeting. For information call (775) 847-0969.
- Items may not necessarily be heard in the order that they appear.
- Public Comment will be allowed at the end of each meeting (this comment should be limited to matters not on the agenda). Public Comment will also be allowed during each item upon which action will be taken on the agenda (this comment should be limited to the item on the agenda). Time limits on Public Comment will be at the discretion of the Chairman of the Board. Please limit your comments to three minutes.

- Storey County recognizes the needs and civil rights of all persons regardless of race, color, religion, gender, disability, family status, or nation origin.
- In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

  Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

  To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at http://www.ascr.usda.gov/complaint_filing_cust.html and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:

  (1) mail: U.S. Department of Agriculture
  Office of the Assistant Secretary for Civil Rights
  1400 Independence Avenue, SW
  Washington, D.C. 20250-9410;

  (2) fax: (202) 690-7442; or

  (3) email: program.intake@usda.gov.

  USDA is an equal opportunity provider, employer, and lender.

Notice to persons with disabilities: Members of the public who are disabled and require special assistance or accommodations at the meeting are requested to notify the Commissioners' Office in writing at PO Box 176, Virginia City, Nevada 89440.

CERTIFICATION OF POSTING

I, Vanessa Stephens , Clerk to the Board of Commissioners, do hereby certify that I posted, or caused to be posted, a copy of this agenda at the following locations on or before 08/25/2020; Virginia City Post Office at 132 S C St, Virginia City, NV, the Storey County Courthouse located at 26 S B St, Virginia City, NV, the Virginia City Fire Department located at 145 N C St, Virginia City, NV, the Virginia City Highlands Fire Department located a 2610 Cartwright Rd, VC Highlands, NV and Lockwood Fire Department located at 431 Canyon Way, Lockwood, NV.

By Vanessa Stephens

Vanessa Stephens Clerk-Treasurer

Storey County Board of Fire Commissioners
Agenda Action Report

Meeting date: 09/01/20 **(9:15 a.m.)** **Estimate of time required:** 45 min.

Agenda: Consent [ ] Regular agenda [ ] Public hearing required [ ] **(x Closed Session)**

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1. **Title:** Call to Order Closed Session pursuant to NRS 288.220 for the purpose of conferring with district and county management and legal counsel regarding labor negotiations with the Storey County Firefighters Association IAFF Local 4227. ***This meeting will commence 9:15 a.m.***

2. **Recommended motion.** No action

3. **Prepared by:** Jeff Nevin and Austin Osborne

   Department: Fire District and County Manager offices **Telephone:** 847-0954/847-0968

4. **Staff summary:** Pursuant to NRS 288 and the existing bargaining agreements between the Storey County Firefighters Association and the Storey County Board of Fire Commissioners, the bargaining agreements are proposed to be modified separately as tentatively agreed between the parties.

5. **Supporting materials:** Provided at meeting.

6. **Fiscal impact:**

   Funds Available: n/a Fund: ____ Comptroller

7. **Legal review required:**

   ____ District Attorney

8. **Reviewed by:**

   ____ Department Head Department Name: Commissioner's Office

   __@'__ County Manager Other agency review:

   _____

9. **Board action:**

   [ ] Approved [ ] Approved with Modifications
   [ ] Denied [ ] Continued

Agenda Item No. 1

Storey County Board of County Commissioners
Agenda Action Report

Meeting date: 09/1/2020 **Estimate of time required:** 5 min.

Agenda: Consent [ ] Regular agenda [X] Public hearing required [ ]

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1. **Title:** Approval of minutes for August 4, 2020

2. **Recommended motion:** Approve minutes as submitted.

3. **Prepared by: Vanessa Stephens**

   Department: Clerk & Treasurer **Telephone: 775 847-0969**

4. **Staff summary:** Minutes are attached.

5. **Supporting materials:** Attached.

6. **Fiscal impact: N/A**

   Funds Available: Fund: ____ Comptroller

7. **Legal review required: N/A**

   ____ District Attorney

8. **Reviewed by:**

   VS Department Head Department Name: Clerk & Treasurer

   ____ County Manager Other agency review: _____

9. **Board action:**

   [ ] Approved [ ] Approved with Modifications
   [ ] Denied [ ] Continued

Agenda Item No. 5

STOREY COUNTY BOARD OF COUNTY COMMISSIONERS MEETING

TUESDAY, AUGUST 4, 2020 10:00 A.M.

DISTRICT COURTROOM
26 SOUTH B STREET, VIRGINIA CITY, NEVADA

MINUTES

MARSHALL MCBRIDE
CHAIRMAN

ANNE LANGER
DISTRICT ATTORNEY

JAY CARMONA
VICE-CHAIRMAN

LANCE GILMAN
COMMISSIONER

VANESSA STEPHENS
CLERK-TREASURER

ROLL CALL via zoom: Chairman McBride, Vice-Chairman Carmona, Commissioner Gilman, County Manager Austin Osborne, Clerk & Treasurer Vanessa Stephens, Tourism Director Deny Dotson, Sheriff Gerald Antinoro, Fire Chief Jeff Nevin, Project Manager Mike Northan, Emergency Management Director Joe Curtis, Community Relations Director Lara Mather, Senior Planner Kathy Canfield, Water/Sewer Project Manager Mike Nevin, Deputy District Attorney Keith Loomis, Senior Center Director Stacey York, Chief Sheriff Deputy Tony Dosen, Human Resources Jeanne Greene, Comptroller Jennifer McCain, Administrative Officer/Human Resource Director Jen Chapman, Justice of the Peace Eileen Herrington, Public Works Director Jason Weizrbicki, Recorder Marney Hansen-Martinez, Communications Director Dave Ballard, Fourth Ward School Museum Director Nora Stefu, Community Chest Director Erik Schoen

1. CALL TO ORDER REGULAR MEETING AT 10:00 A.M.
Meeting was called to order by Chairman McBride at 10:00 A.M.

2. PLEDGE OF ALLEGIANCE
Chairman McBride led the Pledge of Allegiance.

3. DISCUSSION/POSSIBLE ACTION: Approval of Agenda for August 4, 2020.
County Manager Austin Osborne requested item 12 be moved following item 7.
Public Comment: None

Motion: I move to approve the Agenda for August 4, 2020, with the change requested, **Action:** Approve, **Moved by:** Vice Chairman Carmona, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

4. DISCUSSION/POSSIBLE ACTION: Approval of the Minutes for June 17, 2020.
Public Comment: None

Motion: I move to approve the Minutes for June 17, 2020, **Action:** Approve, **Moved by:** Vice Chairman Carmona, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

5. DISCUSSION/POSSIBLE ACTION: Approval of the Minutes for July 7, 2020.
Public Comment: None

Motion: I move to approve the Minutes for July 7, 2020, **Action:** Approve, **Moved by:** Vice Chairman Carmona, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

6. CONSENT AGENDA:

I. For possible action, approval of claims in the amount of $2,605,584.44.

II. For possible action, approval of business license first readings:

A. Adelita's Tamales - Food Truck / 917 Desert Breeze Way ~ Fernley,NV
B. Denmark Commerce Park Owner's Assoc. - Non-Profit / 1485 La Briana Ave ~ Reno, NV
C. G3 Solar, LLC - Contractor / 272 W 200 N. #200 ~ Lindon , UT
D. Hammond Homes and Construction LLC - Contractor / 1780 Lattin Road ~ Fallon, NV
E. Holder Construction Group LLC - In-County Contractor / 2555 USA PKWY ~ McCarran, NV
F. Iconic Concrete LLC - Contractor / 2740 Beach River Dr ~ Reno, NV
G. QA Group, LLC - Out-of-County / 3400 E. Third Ave ~ Foster City, CA
H. **Two Rivers Demolition, Inc.** - Contractor / 2620 Mercantile Dr. ~ Rancho Cordova, CA

III. For possible action, approval of Assessor's recommended corrections to 2020-21 Secured Tax Roll for Exemptions

IV. For possible action, approval of Assessor's recommended corrections to Unsecured Tax Roll

V. For possible action, approval of update to Storey County Administrative Policies and Procedures including policy 302 Source of Candidates; Open Recruitment; Promotion; Transfer and Eligible List to Vacant Position

Public Comment: None

Motion: I move to approve today's Consent Agenda, **Action:** Approve, **Moved by:** Vice Chairman Carmona, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

7. PUBLIC COMMENT (No Action) None

12. DISCUSSION/POSSIBLE ACTION: Discussion and consideration of the conditions of the county jail and the number of deaths [if any] in the county jail.

Sheriff Antinoro thanked the Board for hearing the item early. Pursuant to the last Legislative session, a bi-annual meeting and report regarding conditions of the jail is required. Commissioner Carmona did the inspection in March and found no deficiencies. The health inspection was completed on July 21, with a score of 100%. A few minor repairs have been completed and a new walk-in freezer has been installed for storage of inmate food.

Vice Chairman Carmona and Commissioner Gilman had no comments.

8. DISCUSSION ONLY (No Action - No Public Comment): Committee/Staff Reports
Chief Deputy Tony Dosen:

- The Sheriff has a plan in place for the possible protest at the Courthouse at 5PM.

Marney Hansen-Martinez, County Recorder:

- Work continues on "back-indexing" for on-line search. Currently working on 1982-1988. This is an on-going project being worked on between daily business. Updates will be given as they progress, going back 116 years.

Stacy York, Senior Center Director:

- The "homemaker" and "transportation" programs are up and running. Anyone interested in the program or to see if they qualify, call Stacey at 847-0959, or Brooke (program coordinator) at 686-3532.

Jason Wierzbicki, Public Works Director:

- The patchwork on Lousetown has been completed. Work has begun cleaning out ditches along Six Mile Canyon.

Dave Ballard, Communications Director:

- Sierra Electronics is scheduled to start installing new radios in vehicles. This will probably take a month to complete. Work has already started on the mountaintop.
- In the "bank" building, the old vault has been "gutted" to be turned into the server room.
- Electrical work and air conditioning are scheduled for next week.

Deny Dotson, Tourism Director:

- Update on events that are still on:
    - Street Vibrations, Grand Prix, car cruise for Veteran's Day, and Christmas on the Comstock
    - All American Craft Fair will be held this weekend at the Silverland Hotel parking lot. They have a good plan to deal with Covid 19, with people spaced out - only a certain number allowed in a one time; one entrance in-and-out; and face masks required.
    - Pipers Opera House is presenting a play, "Murder at the Gin Joint", the next two weekends. Local game night and line-dancing are also being held.
- More people are being seen doing mini stay-cations. Hotels/motels are not full but are being booked more than anticipated.
- Marketing dollars are going towards "Everyone is a Local" campaign.
- Mr. Dotson introduced Nora Stefu, the new Director of the Fourth Ward School Museum.

Nora Stefu, Fourth Ward School Museum Director:

- She will be in the office from 10AM to 5PM daily.
- The museum is closed for the next few months, or until further notice.
- In the meantime, security cameras are being installed, the museum is being renovated, and programming is being done for a virtual tour on the website.

Joe Curtis, Emergency Management Director:

- Total Covid cases in the Quad-County - 718. Storey County - 4. Numbers may be inflated due to people re-testing.
- The next community testing sites are: August 11 at Mark Twain Community Center, 8 am to 11 am; and August 28 at Lockwood Senior Center. Testing is for asymptomatic people who are residents of the Quad-County.
- The Jeep Posse has been very helpful in assisting with the testing sites.
- We continue to emphasize and encourage the need for masks and hand sanitizers when out in public. We are looking into putting more stations out in the community - there has been good response to them.
- As a tourist community there are a lot of things we can do. Cleaning doorknobs, countertops, computers in stores and businesses.
- Storey County has been doing a pretty good job.

Chair McBride asked where a resident who has symptoms would go to be tested.

Mr. Curtis: If you have specific symptoms (look them up) - call the Call Center hotline for the Quad County area at 775 283-4789. This is on the County website - you can also go to Carson City Now.

Commissioner Gilman thanked Mr. Curtis for all of his work.

Erik Schoen, Community Chest Director:

- They are looking at, and working on, what school is going to look like. (Community Chest) is doing its best to create complimentary programs in both Virginia City and Lockwood.
- They hope to provide all-day childcare on Friday when there is no school.
- Updates will be provided.

Mike Nevin, Water/Sewer Project Manager:

- The "notice to proceed" has been issued for the Hillside Water Tanks project.
    - The contractor has begun moving on site.
    - Activity will commence on Monday, August 10. Workdays will be Monday through Friday - 7AM to 3:30 PM.
    - SHPO concurrence was finally received.
- Gold Hill Wastewater plant project:
    - Waiting for response from one of the funding entities.
    - USDA had a few minor modifications.
    - The Certificate of Appropriateness for the building has been received.
    - The building is going to blend in with the mining facilities around the area.
    - When we get SRF concurrence, the bid can be advertised. Hoping for a bid opening sometime early September.

Kathy Canfield, Senior Planner:

- Update on projects:
  - USDA Water Study in the Highlands is on-going;
  - Water Resources Plan and RS 2477 Road Plan are anticipated to come to the Board and Planning Commission in the fall.
  - They are busy with projects and applications. There is a Planning Commission meeting Thursday.

Jeff Nevin, Fire Chief:

- Seasonal staff continue to do residential surveys in parts of the County.
- A brush engine was sent to Northern California to assist on a fire. That same engine was sent to the Hog Fire. An engine and dozer are on the North Fire.
- An engine was also sent to Oakland to assist on two fires.

Keith Loomis, Deputy District Attorney:

- A Settlement Conference is tentatively scheduled in the Cetus Mortgage case on September 14th. Either the Chairman or the County Clerk will need to attend.

Austin Osborne, County Manager:

- An "open air" Town Hall meeting will be held on August 15th, 5 to 6PM, at the Highlands mailboxes. People can come and go over the hour in order to keep people from "grouping up". The US Census group will have a table at this meeting.
- Congratulations to Jen Chapman for her on-going efforts on Public Record Requests.
- Thank you to Dabney Stapleton at NACO and lobbyist Mary Walker who have done a great job working with staff in regards to the Special Legislative session. Some of the items approved are: Vote by mail-in ballot; substantial rights adjustments for peace officers and Sheriffs regarding rights and disciplinary actions; net proceeds tax of mining proceeds; legislation on liability pension for businesses and local governments if people were to get sick from Covid 19.
- The Governor's speech last night changes direction focusing enforcement not only individual businesses, but on business sectors, counties, cities, and jurisdictions that are "allegedly" not doing enough to try to prevent Covid 19. We will be working with our team to make sure we keep doing what we have been doing - encouraging facemasks and social distancing. Flyers have been put up around town showing "bandits" with masks on.

Vanessa Stephens, County Clerk:

- Working with the Secretary of State and other Clerks on details for the General Election. Contact the Clerk's Office with any questions or concerns.

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

10. DISCUSSION ONLY (No Action): A presentation by Ed James with the Carson Water Subconservancy District regarding the Water Supply Picture for the Carson River.

Mr. James gave an overview/slide presentation of the watershed on the Carson River, including groundwater levels, production, municipal water use, streamflow, and proposed workshops.

Most groundwater areas in the district are doing well. Mr. James reviewed the different areas. Two areas of concern are in Douglas County. In Storey County, some areas in Mark Twain are up and down. Other areas reviewed: Silver Springs, Stagecoach, Fallon, and the Carson desert (Churchill County area). The Carson Valley is the biggest groundwater producer. The Silver Springs area is being watched closely with domestic wells being the biggest user.

Mr. James discussed water deliveries from the Marlette/Hobart Water System to Virginia City, Gold Hill, and Silver City, which have been pretty stable. There has not been a huge demand or increase in water usage in the Storey County area.

Mr. James reviewed the natural flow into the Carson river from the east and west forks - a little less water than historically. Irrigation in the Carson Valley is being looked in to. Mr. James discussed the effect on Churchill County.

A workshop may be set in October. Experts from around the area, USDA, and Department of Water Resources will be speakers. They will review work going on on the Carson River and within the State. Several studies are taking place - some looking at the impact on Lovelock, as well as other areas. This will be a virtual meeting, open to the public, and will provide insight as to what's happening on the watershed.

11. DISCUSSION/POSSIBLE ACTION: Consideration and possible approval of Storey County to grant up to $200,000 of its CARES-Act funds to small businesses located in Storey County and adversely impacted by COVID-19, with an additional five percent (roughly $10,000) of this amount being dedicated to administration costs including assistance from the Nevada Association of Counties (NACO) and/or its affiliate(s), a total combined amount being up to $210,000.

County Manager Osborne: The County received approximately $750,000 in CARES funds - about one-half is actually received, the rest is reimbursable funds. This covers the costs of such items as PPE, overtime, materials, and so forth. The County is allowed to dedicate a portion to be directly invested into the local community for small business assistance. At this time, we are looking at $200,000 to be invested into small business. There is a 5 or 6% administration fee to be paid to a group that NACO is using to administer these programs. These are experts that will help the County work with local businesses with applications, processes, and criteria. There is a potential for more in the future but this is what we know is available right now.

The administration fee is going to be 6%, or $12,000. To clarify, $200,000 will go to the community and $12,000 is for administration.

Chairman McBride: It seems other Nevada counties are doing the same thing. We do not expect the County to utilize its entire $750,000 allocation of CARES funds. It was suggested by NACO, and other counties, rather than turn the funds back in to the Government - would be to go ahead and help out local businesses, those that have gone through rough times with the shutdown of business. NACO would do the management of (the funds) - this will avoid the County being accused of "picking winners and losers". The County wants everyone to have a fair shake. There will be rules put into place.

Vice Chairman Carmona said he is glad to see something going back to the community and merchants. PPE isn't fun to spend money on but is necessary.

Chairman McBride: All the people who had to make adjustments to business operations that are Covid 19 related - PPE equipment, putting up barriers, or whatever - would make them qualifiers for this.

Commissioner Gilman: Requests that this be expedited. He is sure the help is needed and hopes this can aggressively move forward.

Chairman McBride: Agrees. Comments have been made to do this expeditiously - can't remember the timeframe, but we do have to act on it in an expeditious way so that we do not lose the funds.

Mr. Osborne: I think December 1st is when we have to come up with a plan. It is expeditious in this first and second round. To be clear, this is not a loan that has to be paid back, it would be grant for businesses to keep.

Public Comment: None

Mr. Osborne requested the motion include "an additional six percent, $12,000" rather than five percent.

Mr. Loomis: Looking at the conditions, it requires that the money be spent before December 30th, to reimburse the costs incurred due to Covid up through December 30th.

Motion: I, Jay Carmona, motion to approve Storey County to grant up to $200,000 in CARES Act funds to small businesses located in Storey County adversely affected by Covid 19, with an additional 6%, roughly $12,000.00 of this amount, being dedicated to the administration costs, including assistance from the Nevada Association of Counties, and/or its affiliates, a total combined amount of up to $212,000, **Action:** Approve, **Moved by:** Vice Chairman Carmona, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

13. DISCUSSION/POSSIBLE ACTION: Possible approval to authorize County Manager to approve a monthly contract with Quickspace for temporary security fencing around the V&T Freight Depot Building during the construction activities in an amount not to exceed $1,200.00 per month for up to six months.

Mike Northan reviewed this project installing temporary security fencing at the Depot as a means of securing the jobsite during construction activities. This will include fire sprinklers, some structural work, and fire detection/alarm system. The fencing should be up for about six months. Quickspace had the best quote.

Public Comment: None

Motion: I, Jay Carmona, move to approve the monthly contract with Quickspace for temporary security fencing around the V&T Freight Depot Building during the construction activities in an amount not to exceed $1,200.00 per month for up to six months, **Moved by:** Vice Chairman Carmona **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

14. DISCUSSION/POSSIBLE ACTION: Consideration and possible approval of award and authorization for County Manager to sign Emergency Management Performance Grant Program, COVID-19 Supplemental (EMPG-S) in the amount of $20,003.65.

Lara Mather explained this is a supplemental grant. Normally this would be a matching grant - in this case, however, the match ($10,001.83), will be covered by the State Department of Emergency Management. The grant funds are for 5 complete remote workstations, as well as camera equipment to be used in zoom meetings. Although this is not a matching grant, approval and signatures by the Board and County Manager are required.

Public Comment: None

Chair McBride commented that when the shutdown began, it was difficult to find equipment that was sufficient for remote usage. It's good to be able to acquire needed equipment and that it is paid for out of the grant program.

Motion: I, Jay Carmona, move to approve and authorize Austin Osborne, County Manager, to sign the grant for Emergency Management Performance Grant Program, Covid-19 Supplemental in the amount of $20,003.65, **Moved by:** Vice Chairman Carmona **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

15. RECESS TO CONVENE AS THE STOREY COUNTY WATER/SEWER BOARD

16. DISCUSSION/POSSIBLE ACTION: Consideration and possible approval of authorization for Chairman McBride to sign the Sherman & Howard Bond Counsel Engagement Letters for the USDA water projects (5 mile waterline & water tanks) for an amount not to exceed $30,000.00.

Comptroller Jennifer McCain: Kendra Follett from Sherman & Howard has assisted the County in the past in obtaining bonds. There are three bonds to be obtained in order to finish the 5 mile waterline and water tank projects which Ms. Follett is prepared to do.

Public Comment: None

Motion: I, Jay Carmona, move to approve and authorize Chairman McBride to sign sign the Sherman & Howard Bond Counsel Engagement Letters for the USDA water projects for an amount not to exceed $30,000.00, **Action:** Approve, **Moved by:** Vice Chairman Carmona, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

17. DISCUSSION/POSSIBLE ACTION: Consideration and possible approval of authorization for Chairman McBride to sign the Sherman & Howard Bond Counsel Engagement Letter for the USDA sewer projects (Gold Hill Package Treatment Plant) for an amount not to exceed $30,000.00.

Chairman McBride asked if there was any Board comment or questions for Ms. McCain regarding this item: None

Public Comment: None

Motion: I, Jay Carmona, move to approve and authorize Chairman McBride to sign the Sherman & Howard Bond Counsel Engagement Letter for the USDA sewer projects (Gold Hill Package Treatment Plant) for an amount not to exceed $30,000.00, **Action:** Approve, **Moved by:** Vice Chairman Carmona, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

18. RECESS TO RECONVENE AS THE STOREY COUNTY BOARD OF COUNTY COMMISSIONERS

19. DISCUSSION/POSSIBLE ACTION: Possible acceptance of bid and award of contract for the Divide Building Justice Court Tenant Improvement to the apparent low bidder, Shaheen-Beauchamp Builders in the amount of $582,000.00 as a base bid plus contract alternates for a total sum of $733,738.00.

Mike Northan: Bids have been received for the Justice Court at the Divide Building with seven general contractors submitting bids. Base bids ranged from $582,000 to $725,000 - an average of $644,000. Mr. Northan explained base bids plus alternates. Shaheen-Beauchamp Builders was the low bidder. This company constructed the Community Center building. Staff requests approval and award of contract to Shaheen-Beauchamp Builders.

Public Comment:
Nicole Barde, Storey County resident: Is there a total for the entire project - full cost up to the time of moving in?

Comptroller McCain: Using the rough estimate of $750,000 to complete the remodel - the project will be up to approximately $2.2 million. This includes purchase of the building, parking lot, sidewalk, and engineering and architect drawings.

Ms. Barde asked who would be using the space besides the Justice Court. Is there room for other departments?

Chairman McBride: Only the Justice Court is being moved in. Maybe down the road other departments. (The County) is only utilizing the portion of the building where MX Trophies was located. Divide Fitness remains in the other portion.

Ms. Barde commented she is thinking "down the road" - with compression, where are other departments going to go?

Chairman McBride advised that is not on the agenda.

Sam Toll, Gold Hill resident: Is there an anticipated "move-in" date?

Mr. Northan: 180 days for construction is being allowed under the contract.

Mr. Toll: Past that, is there any feel for the timeframe....

Chairman McBride said this is getting off track. This (item) is simply approving the bid.

Motion: I, Jay Carmona, move to accept the bid and award of contract for the Divide Building Justice Court Tenant Improvement to the apparent low bidder, Shaheen-Beauchamp Builders in the amount of $582,000.00 as a base bid plus contract alternates for a total of $733,738.00, **Action:** Approve, **Moved by:** Vice Chairman Carmona, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

20. **DISCUSSION/POSSIBLE ACTION:** Approval of business license second readings:

Community Development recommends approval of all licenses A through F.

A. **Empire Solar Group LLC** - Contractor / 9 Exchange Pl. Ste 400 ~ Salt Lake City, UT
B. **GROB Systems, Inc.** - Out of County / 1070 Navajo Dr. ~ Bluffton, OH
C. **Perfect Petals Floral Design** - General / 113 S. C St. ~ Virginia City, NV
D. **Virginia City Gallery of the West, LLC** - Home Business / 334 S. B St. ~ Virginia City, NV
E. **Virginia City Motorcycle Company** - Home Business / 448 Wagon Wheel Way ~ Dayton, NV
F. **Walker River Construction, Inc.** - Contractor / 31105 Pasture Rd ~ Schurz, NV

Mr. Osborne: Community Development recommends approval of items A through F.
Public Comment: None

Motion: I, Commissioner Carmona, move to approve the second reading of Business Licenses A through F, **Moved by:** Vice Chairman Carmona, **Seconded by:** Commissioner Gilman, **Vote:** Motion carried by unanimous vote, **(Summary:** Yes=3)

21. PUBLIC COMMENT (No Action)
Nicole Barde thanked Ashley Meade from Community Development Department for the quick time in providing a plot map that Ms. Barde requested.

Sam Toll: Storey County resident Paul Thyrack passed-away over the weekend. Paul was involved in the newspaper/communication business.

Regarding comments about Jen Chapman and Public Record Requests - it has been a delight to work with Jen on requests and it appears to be pushing forward. There are about 30 open public record requests - some from two years ago. Mr. Toll said he will give Mr. Osborne and Jen another chance to look at those to see if they can collaborate on delivery of the information before hiring an attorney to sue Storey County under SB287 approved in the last session. Austin and Jen's efforts are welcome, but adding cumulative days - 24 + years of time has lapsed on these requests.

22. ADJOURNMENT OF ALL ACTIVE AND RECESSED BOARDS ON THE AGENDA
The meeting was adjourned by the Chair at 11:36 AM

Respectfully submitted,

By: Vanessa Stephens
Vanessa Stephens Clerk-Treasurer

Storey County Board of County Commissioners
Agenda Action Report

Meeting date: 09/1/2020 **Estimate of time required:** 0 min

Agenda: Consent [x] Regular agenda [] Public hearing required [ ]

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1. For possible action, approval of claims in the amount of $1,041,515.38

2. **Recommended motion:** Approval of claims as submitted.

3. **Prepared by: V Stephens**

   Department: Clerk/Treasurer **Telephone: 775 847-0969**

4. **Staff summary:** Please find attached the claims

5. **Supporting materials:** Attached

6. **Fiscal impact:**

   Funds Available: NA Fund: NA __NA__ Comptroller

7. **Legal review required:**

   _NA_ District Attorney

8. **Reviewed by:**

   ___ Department Head Department Name: Comptroller

   ____ County Manager Other agency review: _____

9. **Board action:**

   [ ] Approved [ ] Approved with Modifications
   [ ] Denied [ ] Continued

Agenda Item No. 6 I

Check Register

Packet: APPKT02202 - 2020-08-19 PW USPS cw

By Check Number

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: AP Bank-AP	**Bank**					
101845	US POSTOFFICE (VC)	08/19/2020	Regular	0.00	200.00	100317

Bank Code AP Bank Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	1	1	0.00	200.00
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	0	0	0.00	0.00
	1	**1**	**0.00**	**200.00**

Approved by the Storey County Board of Commissioners:

Chairman _____ Commissioner _____ Commissioner _____

Comptroller _____ Date _____

Treasurer _____ Date _____

Fund Summary

Fund	Name	Period	Amount
999	Pooled Cash Account	8/2020	200.00
			200.00

Check Register

Packet: APPKT02195 - 2020-08-14 AP Payments cw

By Check Number

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: AP Bank-AP	**Bank**					
101589	AIRGAS NCN INC	08/14/2020	Regular	0.00	367.84	100200
100135	ALSCO INC	08/14/2020	Regular	0.00	289.36	100201
403651	ARC HEALTH AND WELLNESS	08/14/2020	Regular	0.00	780.00	100202
99663	AT&T MOBILITY II LLC	08/14/2020	Regular	0.00	127.00	100203
403619	AT&T TELECONFERENCE SERVI	08/14/2020	Regular	0.00	255.42	100204
100285	AVS DEVELOPMENT LTD	08/14/2020	Regular	0.00	231.00	100205
405950	Baumbach Enterprises, LLC	08/14/2020	Regular	0.00	456.00	100206
403959	BENDER, DEBORAH	08/14/2020	Regular	0.00	180.00	100207
404810	BLACKPOINT LLC	08/14/2020	Regular	0.00	450.00	100208
404634	BRANDON, RUSSELL D	08/14/2020	Regular	0.00	60.00	100209
403671	BURRELL, SCOTT LEWIS	08/14/2020	Regular	0.00	786.00	100210
100476	BURTON'S FIRE INC	08/14/2020	Regular	0.00	230.02	100211
405311	Campbell, Iris	08/14/2020	Regular	0.00	104.58	100212
99763	CANYON GENERAL IMPROVEMENT I	08/14/2020	Regular	0.00	65.96	100213
100486	CAPITOL REPORTERS	08/14/2020	Regular	0.00	1,308.00	100214
405831	Carson Now LLC	08/14/2020	Regular	0.00	300.00	100215
404216	CARSON VALLEY OIL CO INC	08/14/2020	Regular	0.00	1,295.57	100216
99720	CASELLE INC	08/14/2020	Regular	0.00	270.00	100217
405797	Central Nevada GIS and Cartography	08/14/2020	Regular	0.00	3,284.40	100218
403635	CENTRAL SANITARY SUPPLY	08/14/2020	Regular	0.00	138.07	100219
100505	CITY OF CARSON TREASURER	08/14/2020	Regular	0.00	80.00	100220
405060	CLEAR CHANNEL OUTDOOR	08/14/2020	Regular	0.00	225.00	100221
404493	CLEWELL, LEO	08/14/2020	Regular	0.00	10.00	100222
405134	CMC TIRE INC	08/14/2020	Regular	0.00	2,262.28	100223
403887	COMSTOCK GOLD MILL LLC	08/14/2020	Regular	0.00	67.50	100224
404466	DAIOHS USA INC	08/14/2020	Regular	0.00	321.45	100225
404684	DASH MEDICAL GLOVEWS INC	08/14/2020	Regular	0.00	311.60	100226
404547	ELLIOTT AUTO SUPPLY INC	08/14/2020	Regular	0.00	594.31	100227
403835	EWING IRRIGATION PRODUCTS, INC	08/14/2020	Regular	0.00	227.74	100228
403216	FARR WEST ENGINEERING	08/14/2020	Regular	0.00	5,837.00	100229
404509	FASTENAL COMPANY	08/14/2020	Regular	0.00	517.95	100230
101485	FERGUSON ENTERPRISES INC	08/14/2020	Regular	0.00	726.77	100231
403975	FERRELLGAS LP	08/14/2020	Regular	0.00	128.87	100232
404640	GLADDING, EDWARD A.	08/14/2020	Regular	0.00	9,517.50	100233
100856	GRANITE CONSTRUCTION CO	08/14/2020	Regular	0.00	2,778.16	100234
103470	GREAT BASIN TERMITE & PES	08/14/2020	Regular	0.00	240.00	100235
405784	Greene, Jeanne	08/14/2020	Regular	0.00	3,970.00	100236
404394	GTP INVESTMENTS LLC	08/14/2020	Regular	0.00	1,098.22	100237
404778	HAT, LTD	08/14/2020	Regular	0.00	2,728.32	100238
102983	HD SUPPLY FACIL MAINT LTD	08/14/2020	Regular	0.00	1,242.39	100239
403040	HENRY SCHEIN	08/14/2020	Regular	0.00	2,535.30	100240
102564	HYDRAULIC INDUSTRIAL SERV	08/14/2020	Regular	0.00	57.64	100241
405743	Ing Consulting, Inc.	08/14/2020	Regular	0.00	220.00	100242
100978	INTERSTATE OIL CO	08/14/2020	Regular	0.00	1,339.13	100243
403834	IT1 SOURCE LLC	08/14/2020	Regular	0.00	12,465.59	100244
405951	Johnson, Britney	08/14/2020	Regular	0.00	2,750.00	100245
405188	JORDAN, REBECCA	08/14/2020	Regular	0.00	1,593.75	100246
405517	Lakes Crossing Center-State of Neva	08/14/2020	Regular	0.00	700.00	100247
405780	Luke Busby, LTD	08/14/2020	Regular	0.00	137,410.00	100248
405548	Lumos & Associates, Inc	08/14/2020	Regular	0.00	262.50	100249
404363	MA LABORATORIES INC	08/14/2020	Regular	0.00	83.19	100250
405077	MACKAY MANSION	08/14/2020	Regular	0.00	778.50	100251
405307	Mckechnie, Marla J.	08/14/2020	Regular	0.00	2,490.00	100252
405125	MEYER, GREGORY	08/14/2020	Regular	0.00	300.00	100253

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
403629	MIGAN, TAMARA	08/14/2020	Regular	0.00	13.99	100254
405331	Morpho USA, Inc	08/14/2020	Regular	0.00	4,930.00	100255
100471	MOUND HOUSE TRUE VALUE	08/14/2020	Regular	0.00	211.62	100256
101226	NEV COMPTROLLER	08/14/2020	Regular	0.00	5,332.00	100257
101226	NEV COMPTROLLER	08/14/2020	Regular	0.00	645.00	100258
403347	NEV DEPT BUSINESS & INDUS	08/14/2020	Regular	0.00	90.00	100259
403317	NEV DEPT PUBLIC SAFETY	08/14/2020	Regular	0.00	1,288.00	100260
99826	NEV SUPREME COURT OF NV	08/14/2020	Regular	0.00	5,000.00	100261
404715	NEVADA ASSOCIATION OF	08/14/2020	Regular	0.00	750.00	100262
403632	NEVADA BLUE LTD (RNO)	08/14/2020	Regular	0.00	100.00	100263
101269	NEVADA LEGAL SERVICE INC	08/14/2020	Regular	0.00	1,031.00	100264
101362	Nextel of California	08/14/2020	Regular	0.00	184.87	100265
402926	OFFSITE DATA DEPOT, LLC	08/14/2020	Regular	0.00	256.22	100266
405127	O'REILLY AUTO ENTERPRISES LLC	08/14/2020	Regular	0.00	85.65	100267
103486	PAPE MACHINERY	08/14/2020	Regular	0.00	34.13	100268
405584	Perpetual Storage, Inc.	08/14/2020	Regular	0.00	1,298.46	100269
403895	PETRINI, ANGELO D	08/14/2020	Regular	0.00	224.00	100270
405256	PIPER'S OPERA HOUSE	08/14/2020	Regular	0.00	20.00	100271
101435	PITNEY BOWES GLOBAL (LEA)	08/14/2020	Regular	0.00	1,065.81	100272
404849	PRAXAIR DISTRIBUTION INC	08/14/2020	Regular	0.00	184.00	100273
405952	Pre-Sort Center of Stockton, Inc.	08/14/2020	Regular	0.00	3,858.84	100274
403329	PROTECTION DEVICES INC	08/14/2020	Regular	0.00	599.85	100275
103221	PUBLIC EMPLY RETIREMENT RETIREI	08/14/2020	Regular	0.00	2,021.20	100276
103306	PURCHASE POWER	08/14/2020	Regular	0.00	1,602.00	100277
404398	RAD STRATEGIES INC	08/14/2020	Regular	0.00	8,585.00	100278
402937	RAY MORGAN CO INC (CA)	08/14/2020	Regular	0.00	300.82	100279
405777	Reno Brake, Inc	08/14/2020	Regular	0.00	52.79	100280
405954	RiskNomics, LLC	08/14/2020	Regular	0.00	800.00	100281
405459	Ritter, Linda P	08/14/2020	Regular	0.00	1,955.00	100282
101210	SBC GLOBAL SERVICES INC	08/14/2020	Regular	0.00	460.54	100283
405505	SFP Holding, Inc	08/14/2020	Regular	0.00	280.00	100284
405081	SHERMARK DISTRIBUTORS INC	08/14/2020	Regular	0.00	189.00	100285
404187	SHOAF, BRIAN ALLEN	08/14/2020	Regular	0.00	16.50	100286
102980	SIERRA FIRE PROTECTION LL	08/14/2020	Regular	0.00	1,925.50	100287
101630	SIERRA PACIFIC POWER CO	08/14/2020	Regular	0.00	11,087.16	100288
	Void	08/14/2020	Regular	0.00	0.00	100289
404195	SOUTHERN GLAZERS WINE & S	08/14/2020	Regular	0.00	843.40	100290
403234	SPALLONE, DOMINIC J III	08/14/2020	Regular	0.00	293.95	100291
101717	ST CO SCHOOL DISTRICT	08/14/2020	Regular	0.00	230,116.07	100292
101726	ST CO SENIOR CENTER(VC)	08/14/2020	Regular	0.00	6,717.33	100293
101745	ST CO WATER SYSTEM	08/14/2020	Regular	0.00	263.63	100294
101745	ST CO WATER SYSTEM	08/14/2020	Regular	0.00	6,305.01	100295
101745	ST CO WATER SYSTEM	08/14/2020	Regular	0.00	224.03	100296
405475	Staples Contract & Commercial, Inc	08/14/2020	Regular	0.00	308.79	100297
101229	State of Nevada	08/14/2020	Regular	0.00	1,015.00	100298
405956	State of Nevada	08/14/2020	Regular	0.00	125.00	100299
404996	Strong, Lynette	08/14/2020	Regular	0.00	27.99	100300
403892	SUN PEAK ENTERPRISES	08/14/2020	Regular	0.00	1,296.00	100301
405124	TERRY, SHIRLEY	08/14/2020	Regular	0.00	690.00	100302
404615	THE ANTOS AGENCY	08/14/2020	Regular	0.00	1,200.00	100303
404473	The DUBE' GROUP INC	08/14/2020	Regular	0.00	16,738.75	100304
102311	THORNDAL,ARMSTRONG,DELK,	08/14/2020	Regular	0.00	522.00	100305
403225	TRI GENERAL IMPROVEMENT	08/14/2020	Regular	0.00	617.12	100306
404401	TRIPP ENTERPRISES INC	08/14/2020	Regular	0.00	65.00	100307
405112	TYLER TECHNOLOGIES, INC	08/14/2020	Regular	0.00	1,819.65	100308
405649	U.S. Armor Corporation	08/14/2020	Regular	0.00	800.00	100309
405735	VC Tours LLC	08/14/2020	Regular	0.00	478.00	100310
403894	VIRGINIA & TRUCKEE RR CO, INC.	08/14/2020	Regular	0.00	1,292.00	100311
405574	Washoe County Forensic Science Div	08/14/2020	Regular	0.00	228.00	100312
103080	WATERS SEPTIC TANK SV DBA	08/14/2020	Regular	0.00	740.00	100313
401291	WELLS FARGO HOME MORTGAGE	08/14/2020	Regular	0.00	866.08	100314

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
103237	WESTERN ENVIRONMENTAL LAB	08/14/2020	Regular	0.00	168.05	100315
405919	Williams Scotsman, Inc	08/14/2020	Regular	0.00	744.12	100316
404295	WELLS ONE COMMERCIAL CARD	08/14/2020	Bank Draft	0.00	13,464.45	DFT0000578

Bank Code AP Bank Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	173	116	0.00	537,833.80
Manual Checks	0	0	0.00	0.00
Voided Checks	0	1	0.00	0.00
Bank Drafts	21	1	0.00	13,464.45
EFT's	0	0	0.00	0.00
	194	**118**	**0.00**	**551,298.25**

Approved by the Storey County Board of Commissioners:

Chairman

Commissioner

Commissioner

Comptroller

Date

Treasurer

Date

Fund Summary

Fund	Name	Period	Amount
999	Pooled Cash Account	8/2020	551,298.25
			551,298.25

Payroll Check Register

Report Summary

Pay Period: 8/3/2020-8/16/2020

Packet: PRPKT00780 - 2020-08-21 Payroll sl
Payroll Set: Storey County - 01

Type	Count	Amount
Regular Checks	4	4,929.13
Manual Checks	0	0.00
Reversals	0	0.00
Voided Checks	0	0.00
Direct Deposits	169	359,216.33
Total	**173**	**364,145.46**

Approved by the Storey County Board of Commissioners:

Chairman

Commissioner

Commissioner

Comptroller

Date

Treasurer

Date

Vendor History Report

By Vendor Name

Posting Date Range 08/19/2020 - 08/21/2020

Payment Date Range 08/19/2020 - 08/21/2020

Payable Number / Item Description	Description / Units	Price	Post Date / Amount	1099 / Account Number	Payment Number / Account Name	Payment Date / Dist Amount	Amount	Shipping	Tax	Discount	Net	Payment
Vendor Set: 01 - Storey County Vendors												
405424 - Optum Bank, Member FDIC							**10,687.67**	**0.00**	**0.00**	**0.00**	**10,687.67**	**10,687.67**
INV0012343	HSA Contributions		8/21/2020		DFT0000580	8/21/2020	10,587.67	0.00	0.00	0.00	10,587.67	10,587.67
HSA Contributions	0.00	0.00	10,587.67	001-29506-000		Insurances	7,972.67					
				020-29506-000		Rds-Ins	390.00					
				090-29506-000		Wtr-Ins	45.00					
				130-29506-000		Swr-Ins	25.00					
				230-29506-000		VCTC-Ins	345.00					
				231-29506-000		Pipers-Ins	70.00					
				250-29506-000		Fire-Ins	1,548.08					
				270-29506-000		FireMutual-Ins	191.92					
INV0012344	HSA Contributions		8/21/2020		DFT0000581	8/21/2020	100.00	0.00	0.00	0.00	100.00	100.00
HSA Contributions	0.00	0.00	100.00	001-29506-000		Insurances	100.00					
				Vendors: (1)	**Total 01 - Storey County Vendors:**		**10,687.67**	**0.00**	**0.00**	**0.00**	**10,687.67**	**10,687.67**
					Vendors: (1)	**Report Total:**	**10,687.67**	**0.00**	**0.00**	**0.00**	**10,687.67**	**10,687.67**

Check Register

Packet: APPKT02203 - 2020-08-21 PR Payment sl

By Check Number

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: AP Bank-AP	Bank					
405456	Public Employees Retirement	08/21/2020	EFT	0.00	86,357.29	10124
404869	SCSO EMPLOYEES ASSOCIATIO	08/21/2020	EFT	0.00	502.00	10125
300003	AFLAC	08/21/2020	Regular	0.00	1,217.08	100318
300008	AFSCME Union	08/21/2020	Regular	0.00	640.09	100319
405610	California State Disbursement Unit	08/21/2020	Regular	0.00	291.69	100320
405519	Cigna Health and Life Insurance Con	08/21/2020	Regular	0.00	7,474.49	100321
300001	Colonial LIfe & Accident	08/21/2020	Regular	0.00	103.38	100322
404704	DVM INSURANCE AGENCY	08/21/2020	Regular	0.00	83.86	100323
405264	FIDELITY SEC LIFE INS CO	08/21/2020	Regular	0.00	70.60	100324
300011	Nevada State Treasurer	08/21/2020	Regular	0.00	4.00	100325
103233	PUBLIC EMPLY RETIREMENT SYSTEN	08/21/2020	Regular	0.00	46.66	100326
300010	State Collection & Disbursement Un	08/21/2020	Regular	0.00	213.43	100327
300006	Storey Co Fire Fighters Assoc	08/21/2020	Regular	0.00	1,300.00	100328
404639	VOYA RETIREMENT INS	08/21/2020	Regular	0.00	8,122.50	100329
300005	Washington National Ins	08/21/2020	Regular	0.00	518.99	100330

Bank Code AP Bank Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	23	13	0.00	20,086.77
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	4	2	0.00	86,859.29
	27	**15**	**0.00**	**106,946.06**

Approved by the Storey County Board of Commissioners:

Chairman

Commissioner

Commissioner

Comptroller

Date

Treasurer

Date

Fund Summary

Fund	Name	Period	Amount
999	Pooled Cash Account	8/2020	106,946.06
			106,946.06

Check Register

Packet: APPKT02204 - 2020-08-21 715 PERs Payment sl

By Check Number

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: AP Bank-AP Bank						
405456	Public Employees Retirement	08/21/2020	EFT	0.00	38,237.94	10126

Bank Code AP Bank Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	0	0	0.00	0.00
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	0	0	0.00	0.00
EFT's	2	1	0.00	38,237.94
	2	**1**	**0.00**	**38,237.94**

Approved by the Storey County Board of Commissioners:

Chairman

Commissioner

Commissioner

Comptroller

Date

Treasurer

Date

Fund Summary

Fund	Name	Period	Amount
999	Pooled Cash Account	8/2020	38,237.94
			38,237.94

Storey County Board of County Commissioners
Agenda Action Report

Meeting date: 09-01-2020 **Estimate of time required:** 0 - 5

Agenda: Consent [X] Regular agenda [ ] Public hearing required [ ]

---

1. **Title:** Business License First Readings -- Approval

2. **Recommended motion:** None required (if approved as part of the Consent Agenda) I move to approve all first readings (if removed from consent agenda by request).

3. **Prepared by:** Ashley Mead

   Department: Community Development **Telephone:** 847-0966

4. **Staff summary:** First readings of submitted business license applications are normally approved on the consent agenda. The applications are then submitted at the next Commissioner's meeting for approval.

5. **Supporting materials:** See attached Agenda Letter

6. **Fiscal impact:**

   Funds Available: Fund: ____ Comptroller

7. **Legal review required:**

   ____ District Attorney

8. **Reviewed by:**

   __X__ Department Head

   ____ County Manager

   Department Name: Community Development

   Other agency review: _____

9. **Board action:**

   [ ] Approved [ ] Approved with Modifications

   [ ] Denied [ ] Continued

Agenda Item No. 6II

Storey County Community Development

110 Toll Road ~ Gold Hill Divide
P O Box 526 ~ Virginia City NV 89440

(775) 847-0966 ~ Fax (775) 847-0935
CommunityDevelopment@storeycounty.org

To: Vanessa Stephens, Clerk's office
Austin Osborne, County Manager

August 24, 2020
Via Email

Fr: Ashley Mead

Please add the following item(s) to the **September 1, 2020** COMMISSIONERS Consent Agenda:

LICENSING BOARD
FIRST READINGS:

A. **Lawson Drayage, Inc.** – General/ 1280 Electric Ave ~ Sparks, NV
B. **Martin Bauer Inc.** – General / 625 Waltham Way Ste. 101 ~ Sparks, NV
C. **Monster Tree Service of Greater Reno** – Out of County / 4850 Bryce Dr. ~ Carson City, NV
D. **N D I Plumbing Inc** – Contractor / 39 Glen Carran Circle ~ Sparks, NV
E. **Shaheen Beauchamp Builders, LLC** – Contractor / 318 N. Carson St. Ste. 202 ~ Carson City, NV
F. **Stealth Finishing, LLC** – General / 1335 Alexandria Ct. ~ McCarran, NV
G. **Schenker, Inc.** – General / 3300 Waltham Way, Ste. 106 ~ McCarran, NV

Ec: Community Development
Commissioner's Office
Planning Department
Comptroller's Office
Sheriff's Office

Storey County Board of County Commissioners
Agenda Action Report

Meeting date: September 1, 2020 **Estimate of time required:** 0-5 mins

Agenda: Consent [X] Regular agenda [ ] Public hearing required [ ]

---

1. **Title:** For Possible Action – Approval – Assessor's Recommended Corrections to 2020-21 Secured Tax Roll for Exemptions

2. **Recommended motion:** Approval

3. **Prepared by:** Tobi Whitten

   Department: Assessor's Office **Telephone:** 847-0961

4. **Staff summary:** NRS 361 provides for property tax exemptions to individuals who meet certain criteria. Exemption applications and renewals are typically due to our office on or before June 15th of each fiscal year, but circumstances beyond a taxpayer's control may cause a delay and, as a result, an exemption not being applied to the tax bill. In cases where the Assessor's Office feels that the taxpayer could not have reasonably filed their exemption application or renewal by the deadline, or if there is an unforeseeable error causing the exemption to not be applied correctly, the tax bill may be amended by the Clerk-Treasurer at the direction of the Board and a new tax bill or a refund be mailed to the affected taxpayer.

5. **Supporting materials:** Please see attached letter with adjusted assessed values.

6. **Fiscal impact:** Unknown

   Funds Available: Fund: ____ Comptroller

7. **Legal review required:**

   ____ District Attorney

8. **Reviewed by:**

   ____ Department Head Department Name: Assessor's Office

   ____ County Manager Other agency review: _____

9. **Board action:**

   [ ] Approved [ ] Approved with Modifications
   [ ] Denied [ ] Continued

Agenda Item No. 6 III

Jana Seddon
STOREY COUNTY ASSESSOR

STOREY COUNTY COURTHOUSE
26 South B Street
P.O. Box 494
Virginia City, NV 89440

(775) 847-0961 Phone
(775) 847-0904 Fax
Assessor@StoreyCounty.org

July 28, 2020

Memo to: Storey County Commissioners

Re: Correction for Exemptions

The owner(s) of the property listed below should have had a personal exemption applied to their property for the **2020-21 tax year**. For various reasons beyond control, the exemptions were not applied to the tax bill, or were not applied correctly. The adjusted net assessed values and the **net assessed value overrides** should be:

APN	2020-21 Net Assessed	Billed Exemption Amount	Corrected Exemption Amount	Adjusted Net Assessed	PYGAV Override	Tax Cap %	**New** Assessed Value	Net Assessed Value Override
3-122-06	81,252	21,600	28,800	52,452	74,956	3.0%	-	48,405

Please approve this correction and advise the Treasurer to make the changes and send a new tax bill or refund as necessary.

Thank You,

Tobi Whitten
Deputy Assessor
Storey County Assessor's Office

Storey County Board of County Commissioners
Agenda Action Report

Meeting date: September 1, 2020 **Estimate of time required:** 5 minutes

Agenda: Consent [X] Regular agenda [ ] Public hearing required [ ]

---

1. **Title:** Approval of Resolution 20-589, a resolution to direct the County Assessor to prepare a list of all the taxpayers on the secured roll in the County pursuant to NRS 361.300 (3)

2. **Recommended motion - Approval**

3. **Prepared by: Tobi Whitten**

   Department: Assessor's Office **Telephone: 847-0961**

4. **Staff summary:** Please see attached proposed resolution. There are *significant* cost savings in providing the tax roll per NRS 361.300(3) via an internet website vs. publication of the list in a local newspaper or mailing the list to each taxpayer in the County.

5. Supporting materials: NRS 361.300 Time and manner for completion of secured tax roll; list of taxpayers and valuations; notice of assessed valuation.

6. **Fiscal impact:**

   Funds Available: Fund: ____ Comptroller

7. **Legal review required:**

   ____ District Attorney

8. **Reviewed by:**

   ____ Department Head Department Name: **Assessor's Office**

   ____ County Manager Other agency review: _____

9. **Board action:**

   [ ] Approved [ ] Approved with Modifications
   [ ] Denied [ ] Continued

Agenda Item No. 6IV

RESOLUTION 20-589

A RESOLUTION REQUIRING THE COUNTY ASSESSOR TO PREPARE A LIST OF ALL TAXPAYERS ON THE SECURED ROLL IN STOREY COUNTY AND THE TOTAL VALUATION OF PROPERTY ON WHICH THEY SEVERALLY PAY TAXES

WHEREAS, pursuant to NRS 361.300, each board of county commissioners shall by resolution, before December 1 of any fiscal year in which assessment is made, require the county assessor to prepare a list of all taxpayers on the secured roll in the County and the total valuation of property on which they severally pay taxes and direct the county assessor to cause, on or before January 1 of the fiscal year in which assessment is made, such list and valuations to be: printed and delivered by the county assessor or mailed by him or her to each taxpayer in the county; or published once in a newspaper of general circulation in the county; or published on an internet website that is maintained by the county assessor or, if the county assessor does not maintain an Internet website, on an internet website that is maintained by the county; and to cause such list and valuations to be posted in a public area of the public libraries and branch libraries located in the county, to be posted at the office of the county assessor; and, if the list and valuations are printed and delivered or mailed to each taxpayer in the county or published in a newspaper of general circulation in the county, then the list and valuations must be published on an internet website that is maintained by the county assessor or, if the county assessor does not maintain an internet website, on an Internet website that is maintained by the county. The county assessor shall further be directed, in a county whose population is less than 100,000, to make not fewer than 10 copies of such list and valuations available to the public free of charge during normal business hours at the main administrative office of the county for at least 60 days after the date on which the list and valuations are made available to the public as provided above; and if the county assessor publishes the list and valuations on an Internet website that is maintained by the county assessor or the county, to provide notice in a newspaper of general circulation in the county, which:

1. Indicates that the list and valuations have been made available to the public on the Internet website maintained by the county assessor or the county;
2. Provides the address of the internet website on which the list and valuations may be accessed or retrieved; and
3. Is displayed in the format used for advertisements and printed in at least 10-point bold type or font.

NOW, THEREFORE, be it resolved by the Board of County Commissioners of Storey County as follows: That the County Assessor prepare a list of all taxpayers on the secured roll in the County and the total valuation of property on which they severally pay taxes and cause such list and valuations to be printed and delivered by the County Assessor or mailed by her on or before January 1, 2021, to each taxpayer in the County; or published once on or before January 1, 2021, in a newspaper of general circulation in the County; or published on the Storey County website; and to cause such list and valuations to be posted in a public area of the public libraries and branch libraries located in Storey County, to be posted at the office of the County Assessor; and if the list and valuations are printed and delivered or mailed or published in a newspaper of general circulation, to be published on the Storey County website. The Assessor is further directed to make not fewer than 10 copies of such list and valuations available to the public free of charge during normal business hours at the main administrative office of the County, i.e., the Storey County Courthouse located at 26 S. B Street in Virginia City, Nevada for at least 60 days after the date on which the list and valuations are made available to the public; and if the county assessor

publishes the list and valuations on the Storey County website, to provide notice in a newspaper of general circulation in the County, on or before January 1, 2021 which:

1. Indicates that the list and valuations have been made available to the public on the Internet website maintained by Storey County;
2. Provides the address of the Internet website on which the list and valuations may be accessed or retrieved; and
3. Is displayed in the format used for advertisements and printed in at least 10-point bold type or font.

ADOPTED this _____ day of _____, 2020

BOARD OF COMMISSIONERS OF STOREY COUNTY

By: _____
Marshall McBride, Chairman

ATTEST:

_____
Vanessa Stephens, County Clerk/Treasurer

NRS 361.300 Time and manner for completion of secured tax roll; list of taxpayers and valuations; notice of assessed valuation.

1. On or before January 1 of each year, the county assessor shall transmit to the county clerk, post at the front door of the courthouse and publish in a newspaper published in the county a notice to the effect that the secured tax roll is completed and open for inspection by interested persons of the county. A notice issued pursuant to this subsection must include a statement that the secured tax roll is available for inspection as specified in paragraph (b) of subsection 3. The statement published in the newspaper must be displayed in the format used for advertisements and printed in at least 10-point bold type or font.

2. If the county assessor fails to complete the assessment roll in the manner and at the time specified in this section, the board of county commissioners shall not allow the county assessor a salary or other compensation for any day after January 1 during which the roll is not completed, unless excused by the board of county commissioners.

3. Except as otherwise provided in subsection 4, each board of county commissioners shall by resolution, before December 1 of any fiscal year in which assessment is made, require the county assessor to prepare a list of all the taxpayers on the secured roll in the county and the total valuation of property on which they severally pay taxes and direct the county assessor:

(a) To cause, on or before January 1 of the fiscal year in which assessment is made, such list and valuations to be:

(1) Printed and delivered by the county assessor or mailed by him or her to each taxpayer in the county;

(2) Published once in a newspaper of general circulation in the county; or

(3) Published on an Internet website that is maintained by the county assessor or, if the county assessor does not maintain an Internet website, on an Internet website that is maintained by the county; and

(b) To cause, on or before January 1 of the fiscal year in which assessment is made, such list and valuations to be:

(1) Posted in a public area of the public libraries and branch libraries located in the county;

(2) Posted at the office of the county assessor; and

(3) If the list and valuations are printed and delivered or mailed pursuant to subparagraph (1) of paragraph (a) or published in a newspaper of general circulation pursuant to subparagraph (2) of paragraph (a), published on an Internet website that is maintained by the county assessor or, if the county assessor does not maintain an Internet website, on an Internet website that is maintained by the county;

(c) In a county whose population is less than 100,000, to make not fewer than 10 copies of such list and valuations available to the public free of charge during normal business hours at the main administrative office of the county for at least 60 days after the date on which the list and valuations are made available to the public pursuant to paragraph (b); and

(d) If the county assessor publishes the list and valuations on an Internet website that is maintained by the county assessor or the county pursuant to subparagraph (3) of paragraph (a), to provide notice in a newspaper of general circulation in the county, on or before January 1 of the fiscal year in which assessment is made, which:

(1) Indicates that the list and valuations have been made available to the public on the Internet website maintained by the county assessor or the county;

(2) Provides the address of the Internet website on which the list and valuations may be accessed or retrieved; and

(3) Is displayed in the format used for advertisements and printed in at least 10-point bold type or font.

4. A board of county commissioners may, in the resolution required by subsection 3, authorize the county assessor not to deliver or mail the list, as provided in subparagraph (1) of paragraph (a) of subsection 3, to taxpayers whose property is assessed at $1,000 or less and direct the county assessor to mail to each such taxpayer a statement of the amount of his or her assessment. Failure by a taxpayer to receive such a mailed statement does not invalidate any assessment.

5. The several boards of county commissioners in the State may allow the bill contracted with their approval by the county assessor under this section on a claim to be allowed and paid as are other claims against the county.

6. Whenever:

(a) Any property on the secured tax roll is appraised or reappraised pursuant to NRS 361.260, the county assessor shall, on or before December 18 of the fiscal year in which the appraisal or reappraisal is made, deliver or mail to each owner of such property a written notice stating the assessed valuation of the property as determined from the appraisal or reappraisal. A notice issued pursuant to this paragraph must include a statement that the secured tax roll will be available for inspection on or before January 1 as specified in paragraph (b) of subsection 3 and subparagraph (3) of paragraph (a) of subsection 3, if applicable, and must specify the locations at which the secured tax roll will be available for inspection, including the address of the Internet website on which the secured tax role may be accessed or retrieved. If such a statement is published in a newspaper, the statement must be displayed in the format used for advertisements and printed in at least 10-point bold type or font.

(b) Any personal property billed on the unsecured tax roll is appraised or reappraised pursuant to NRS 361.260, the delivery or mailing to the owner of such property of an individual tax bill or individual tax notice for the property shall be deemed to constitute adequate notice to the owner of the assessed valuation of the property as determined from the appraisal or reappraisal.

7. If the secured tax roll is changed pursuant to NRS 361.310, the county assessor shall mail an amended notice of assessed valuation to each affected taxpayer. The notice must include:

(a) The information set forth in subsection 6 for the new assessed valuation.

(b) The dates for appealing the new assessed valuation.

8. Failure by the taxpayer to receive a notice required by this section does not invalidate the appraisal or reappraisal.

9. In addition to complying with subsections 6 and 7, a county assessor shall:

(a) Provide without charge a copy of a notice of assessed valuation to the owner of the property upon request.

(b) Post the information included in a notice of assessed valuation on a website or other Internet site, if any, that is operated or administered by or on behalf of the county or the county assessor.

[13:344:1953; A 1955, 327] — (NRS A 1967, 957; 1975, 67; 1981, 791; 1991, 1425; 2003, 2762; 2005, 1506; 2009, 1218; 2011, 3522; 2015, 2711, 2714)

Storey County Board of County Commissioners
Agenda Action Report

Meeting date: 09/15/20 **Estimate of time required:** 15 min.

Agenda: Consent [ ] Regular agenda [x] Public hearing required [x]

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1. **Title:** Discussion/Possible Action: Authorize the County Manager to approve a contract with the United States Geological Survey (USGS) up to $25,000 to continue voluntary and limited monitoring of groundwater levels and quality, aquifer conditions, and other geotechnical matters in the Virginia City Highlands, Highland Ranches, and Virginia Ranches area of Storey County during the 2020-21 fiscal year. This is a continuation of the prior year contract for this purpose.

2. **Recommended motion:** Based on the recommendation by staff, I [county commissioner] authorize the County Manager to approve a contract with the United States Geological Survey (USGS) up to $25,000 to continue the voluntary and limited monitoring of groundwater levels and quality, aquifer conditions, and other geotechnical matters in the Virginia City Highlands, Highland Ranches, and Virginia Ranches area of Storey County during the 2020-21 fiscal year.

3. **Prepared by:** Austin Osborne

4. **Department:** Planning **Telephone:** 775.847.0968

5. **Staff summary:** This is a continuation of the ongoing USGS underground water study taking place in the Highlands area of Storey County. Study objectives: 1) monitor and estimate water-level trends in the Highlands; 2) develop a water-table and water-level change map to quantify spatial and temporal water-level change; 3) characterize the fractured volcanic rock aquifer(s) hydraulic properties; and 4) estimate localized recharge potential from Lousetown Creek. Well monitoring will occur on a voluntary basis only. The study will benefit residents and county officials by collecting data needed to understand the properties of groundwater and aid in future water management planning in the Highlands area in accordance with the 2016 Storey County Master Plan. Refer to Enclosure A Project Proposal for additional details.

6. **Supporting materials:** Enclosures: (A) Project Proposal; (B) Draft Contract

7. **Fiscal impact:** None on local government.

Funds Available: Fund: ____ Comptroller

8. **Legal review required:**

____ District Attorney

9. **Reviewed by:**

Department Head Department Name:

County Manager Other agency review: _____

10. **Board action:**

[ ] Approved [ ] Approved with Modifications
[ ] Denied [ ] Continued

Agenda Item No. 10

United States Department of the Interior
U.S. GEOLOGICAL SURVEY

Nevada Water Science Center
2730 N. Deer Run Road
Carson City, Nevada 89701
Phone: 775-887-7600; Fax: 775-887-7629
Website: http://www.usgs.gov/

August 10, 2020

Ms. Kathy Canfield
County of Storey, Nevada
Senior Planner
P.O. Box 176
Virginia City, Nevada 89440

Dear Ms. Canfield:

Attached is modification 03 to our joint funding agreement 17WSNV00146 between the County of Storey and the U.S. Geological Survey (USGS) for the Virginia City Highlands Groundwater Project.

This modification extends the period of performance to June 30, 2021 and adds funds for the 2021 work. The total cost for the period of July 1, 2020 to June 30, 2021 is $49,800. Storey County will provide $24,900 in funds. Pending availability of USGS Cooperative Matching Funds, the USGS will provide $24,900 towards this program.

In 2021, Aquifer properties over a larger area of the VC Highlands will be evaluated with 3 to 5 aquifer tests. Those tests will be made available on the USGS Nevada Water Science Centers Aquifer Test webpage. Estimates of aquifer hydraulic properties will be made from either single or multi-well drawdown tests. Single-well aquifer tests may be analyzed using the Cooper-Jacob straight-line method (Cooper and Jacob, 1946) and multiple-well aquifer tests by distance-drawdown method (Theis, 1935), both programmed in aquifer-test analysis spreadsheets developed by Halford and Kuniansky (2002). Depending on the nature of the pressure-transient responses observed during the tests, fracture-flow based methods such as Moench (1984) may be more appropriate. Multiple hydraulic solutions will be evaluated to determine the appropriate method for each aquifer test

Below is the funding detail by year:

	2018	2019	2020	2021	Total
Storey County	$26,000	$25,700	$25,700	$24,900	$102,300
U.S. Geological Survey	$26,000	$25,700	$25,700	$24,900	$102,300
Total Funding	**$52,000**	**$51,400**	**$51,400**	**$49,800**	**$204,600**

If you approve of this work and the funding required, please sign the attached modification and return it to Helen Houston at NVFinance@usgs.gov. Funds are not required at this time. A signed agreement is not a bill, only an agreement to pay for the work that will be done.

If you have questions, please refer to the contact list on Enclosure 1.

Sincerely,

JILL FRANKFORTER

Digitally signed by JILL FRANKFORTER
Date: 2020.08.10 07:44:40 -07'00'

Jill Frankforter, Director
USGS, Nevada Water Science Center

Enclosures

cc: Kip Allander, David Smith, USGS

Enclosure 1

JFA#: 17WSNV00146_03

USGS Nevada Water Science Center
2730 N. Deer Run Road
Carson City, NV 89701
Phone: 775-887-7600
Fax: 775-887-7629
DUNS: 178930541

Technical Contact
David Smith
Phone: 775-887-7616
dwsmith@usgs.gov

Executive Contact
Jill Frankforter, Director
Phone: 775-887-7658
jdfrankf@usgs.gov

Billing Contact
Helen Houston, Budget Analyst
Phone: 775-887-7605
nvfinance@usgs.gov

Storey County
P.O. Box 176
Virginia City, NV 89440
Las Vegas, NV 89106-4511
Phone: 775-847-1144
Fax: 775-847-0949
TIN: 88-6000134
DUNS: 073794968

Technical Contact
Kathy Canfield, Senior Planner
Phone: 775-847-1144
KCanfield@storeycounty.org

Executive Contact
Austin Osborne, County Manager
Phone: 775-847-0968
aosborne@storeycounty.org

Billing Contact
Kathy Canfield, Senior Planner
Phone: 775-847-1144
KCanfield@storeycounty.org

Any updates to contact information can be submitted to NVfinance@usgs.gov.

Form 9-1366
(May 2018)

U.S. Department of the Interior
U.S. Geological Survey
Joint Funding Agreement
FOR
Water Resource Investigations

Customer #: 6000005935
Agreement #: 17WSNV00146_03
Project #: ZJ00GSG
TIN #: 88-6000134

Fixed Cost Agreement YES[X] NO[ ]

THIS AGREEMENT is entered into as of the July 1, 2017, by the U.S. GEOLOGICAL SURVEY, Nevada Water Science Center, UNITED STATES DEPARTMENT OF THE INTERIOR, party of the first part, and the County of Storey party of the second part.

1. The parties hereto agree that subject to the availability of appropriations and in accordance with their respective authorities there shall be maintained in cooperation with the VC Highlands Groundwater Evaluation, herein called the program. The USGS legal authority is 43 USC 36C; 43 USC 50, and 43 USC 50b.

2. The following amounts shall be contributed to cover all of the cost of the necessary field and analytical work directly related to this program. 2(b) include In-Kind-Services in the amount of $0.00

(a) $102,300 by the party of the first part during the period July 1, 2017 to June 30, 2021

(b) $102,300 by the party of the second part during the period July 1, 2017 to June 30, 2021

(c) Contributions are provided by the party of the first part through other USGS regional or national programs, in the amount of: $0

Description of the USGS regional/national program:

(d) Additional or reduced amounts by each party during the above period or succeeding periods as may be determined by mutual agreement and set forth in an exchange of letters between the parties.

(e) The performance period may be changed by mutual agreement and set forth in an exchange of letters between the parties.

3. The costs of this program may be paid by either party in conformity with the laws and regulations respectively governing each party.

4. The field and analytical work pertaining to this program shall be under the direction of or subject to periodic review by an authorized representative of the party of the first part.

5. The areas to be included in the program shall be determined by mutual agreement between the parties hereto or their authorized representatives. The methods employed in the field and office shall be those adopted by the party of the first part to insure the required standards of accuracy subject to modification by mutual agreement.

6. During the course of this program, all field and analytical work of either party pertaining to this program shall be open to the inspection of the other party, and if the work is not being carried on in a mutually satisfactory manner, either party may terminate this agreement upon 60 days written notice to the other party.

7. The original records resulting from this program will be deposited in the office of origin of those records. Upon request, copies of the original records will be provided to the office of the other party.

8. The maps, records or reports resulting from this program shall be made available to the public as promptly as possible. The maps, records or reports normally will be published by the party of the first part. However, the party of the second part reserves the right to publish the results of this program, and if already published by the party of the first part shall, upon request, be furnished by the party of the first part, at cost, impressions suitable for purposes of reproduction similar to that for which the original copy was prepared. The maps, records or reports published by either party shall contain a statement of the cooperative relations between the parties. The Parties acknowledge that scientific information and data developed as a result of the Scope of Work (SOW) are subject to applicable USGS review, approval, and release requirements, which are available on the USGS Fundamental Science Practices website (https://www.usgs.gov/about/organization/science-support/science-quality-and-integrity/fundamental-science-practices)

Form 9-1366
(May 2018)

U.S. Department of the Interior
U.S. Geological Survey
Joint Funding Agreement
FOR
Water Resource Investigations

Customer #: 6000005935
Agreement #: 17WSNV00146_03
Project #: ZJ00GSG
TIN #: 88-6000134

9. Billing for this agreement will be rendered **quarterly**. Invoices not paid within 60 days from the billing date will bear Interest, Penalties, and Administrative cost at the annual rate pursuant the Debt Collection Act of 1982, (codified at 31 U.S.C. § 3717) established by the U.S. Treasury.

USGS Technical Point of Contact

Name:	David Smith Hydrologist
Address:	2730 N. Deer Run Road Carson City, NV 89701
Telephone:	(775) 887-7616
Fax:	(775) 887-7629
Email:	dwsmith@usgs.gov

Customer Technical Point of Contact

Name:	Kathy Canfield Senior Planner
Address:	PO Box 176 Virginia City, NV 89440
Telephone:	(775) 847-1144
Fax:	(775) 847-0949
Email:	KCanfield@storeycounty.org

USGS Billing Point of Contact

Name:	Helen Houston Budget Analyst
Address:	2730 N. Deer Run Road Carson City, NV 89701
Telephone:	(775) 887-7605
Fax:	(775) 887-7629
Email:	nvfinance@usgs.gov

Customer Billing Point of Contact

Name:	Austin Osborne County Manager
Address:	PO Box 176 Virginia City, NV 89440
Telephone:	(775) 847-0968
Fax:	(775) 847-0949
Email:	aosborne@storeycounty.org

U.S. Geological Survey
United States
Department of Interior

Signature

By JILL FRANKFORTER Digitally signed by JILL FRANKFORTER Date: 2020.08.10 07:47:05 -07'00' **Date: 08/10/2020**

Name: Jill D. Frankforter

Title: Director

County of Storey

Signatures

By_____ **Date:** _____

Name:

Title:

By_____ **Date:** _____

Name:

Title:

By_____ **Date:** _____

Name:

Title:

Project Proposal NV17-XX and Data Management Plan

Evaluation of water-level decline and aquifer properties in the Virginia City Highlands and Highland Ranches Volcanic Rock aquifer system, Storey County, Nevada

David W. Smith & Kip K. Allander
U.S. Geological Survey
Nevada Water Science Center

BACKGROUND

The Virginia City Highlands and Highland Ranches (VC Highlands) is a rural housing development established along the ridge of the Virginia Range in Storey County, Nevada (fig. 1). The surface topography of the highlands area is variable, with property parcels developed over a 1,000 ft range of altitude in an 18 square-mile area. Paired with the varying topography is a large range of domestic well depths, from 75 to 1,175 ft of total depth below land surface. Approximately 1,400 residents exclusively rely on domestic wells for water supply and driller reports indicate wells are completed within fractures of volcanic rock.

PROBLEM

The U.S. Geological Survey (USGS) currently monitors water levels annually in two domestic wells in the VC Highlands (fig. 1). Recent analysis of water levels indicates a rapid and substantial decline in the water-table at these two sites. Between 1997 and 2016, water levels declined approximately 50 and 165 ft near the center of development in the VC Highlands. Due to the limited measurement frequency and close proximity of the monitoring well locations, the extent of the declining water-table is unknown. However, analysis of the State of Nevada Division of Water Resources (NDWR) well log database indicates 103 of 623 domestic wells (17 percent) have been deepened or replaced, indicating water-level declines are more widespread and represent a significant cost burden to homeowners in the area (fig. 1).

Well logs from NDWR indicate recently completed wells depths are deepening through time, likely in response to the declining water table. For example, domestic wells completed prior to 1997 had an average depth of 225 ft, and wells completed after 1997 have increased to an average depth of 375 ft. Verbal communication with residents in the VC highlands has indicated that deepening or replacement of domestic wells for some residents may be financially unrealistic and have opted to contract with private water-services for the delivery of potable water. The condition of domestic wells must be disclosed in real-estate sales in Nevada, potentially impacting property values for residents with dry wells.

The fractured volcanic rock aquifer in the VC Highlands represents the least understood aquifer system in Nevada and the Basin and Range physiographic province (Planert and Williams, 1995). Communities within the Basin and Range province generally rely on groundwater from basin-fill or carbonate aquifers for domestic supply. Currently, there is limited knowledge on properties and conditions of volcanic aquifers, the role they play within context of other aquifer systems, or their characteristics as domestic water supply throughout the Basin and Range

province. This project will assist the VC Highlands community and Storey County officials by monitoring and determining the properties of the fractured volcanic aquifer system.

OBJECTIVE

The objectives of this study are to: 1) monitor and estimate the water-level trends in the VC Highlands, 2) develop a water-table and water-level change map to quantify spatial and temporal water-level change, 3) characterize the fractured volcanic rock aquifer(s) hydraulic properties, and 4), estimate localized recharge potential from Lousetown Creek. These objectives will benefit Storey County officials and residents by collecting data necessary to understand the properties of groundwater and provide information that will aid in future management decisions in the VC Highlands and will help to improve our understanding of volcanic rock aquifer systems within the Basin and Range physiographic province.

RELEVANCE AND BENEFITS

This study will contribute to the USGS mission by increasing understanding of surface-water/groundwater interactions and their effect on water availability in a common hydrographic setting. The study is consistent with the USGS core mission of a Water Census of the United States (U.S. Geological Survey, 2007). Specifically, this study meets 3 of 5 strategic science directions of the Water Census mission. This study will contribute to: a better understanding of the status of freshwater resources and how they are changing; a more precise determination of water use for meeting future human, environmental, and wildlife needs; and, identifying how freshwater availability is related to natural storage and movement of water. This study will also provide the data necessary for county managers, stakeholders, and residence to assess the effects of water-resources management and planning decisions in the VC Highlands. Knowledge obtained from this study will contribute to better understanding of properties and nature of volcanic rock aquifer systems and their relation to water resources and ecologic systems within the Basin and Range aquifer physiographic province.

APPROACH

A five-year project is proposed to monitor VC Highlands groundwater, surface water, and precipitation during potentially variable climate conditions. In the first year of the project, a water-level monitoring network (network) will be established with willing residences in the VC Highlands. Subsequent years will focus on collecting aquifer properties and creating water-level change maps. Results of the study will be published in a USGS Scientific Investigations Report (SIR) at the end of the study period. The project approach to accomplishing the listed objectives are provided below:

Water-level Network

The network will be designed to represent groundwater conditions in the volcanic rock aquifer underlying the VC highlands both spatially and by well depth open to varying fracture zones. The network will consist of a combination of discrete and continuous measurements in the study area. Storey County has already obtained permission from approximately 30 residents for the USGS to monitor water-levels for the discrete network. Water-level measurements will be made at a monthly frequency from July to October, 2018 to identify static water-level conditions and wells suitable for longer-term monitoring, and will then be transitioned to a quarterly basis for the duration of the project. The discrete network will be scaled to efficiently monitor fractured rock aquifer(s) in the VC Highlands. The continuous network will consist of multiple

observation wells (2-5), preferably not being used for domestic supply, instrumented with pressure transducers. Pressure transducers will record water-level change at 15 minute frequency intervals. The data will be quality assured with bi-monthly measurements and downloads. Transducer data will be published to the web and aid in community outreach of the project. All water-level data will be available to the public via the USGS NWISweb.

Accurate water-level altitudes are necessary for the comparison of water-level measurements in varying topography, and are required for the development of a water-table map. Accurate altitudes of wells in the groundwater network will be surveyed using a differential GPS system according to USGS guidelines (Rydlund and Densmore, 2012).

Water-Level Change Map

Water-table and water-level change maps will be documented and published in the SIR. The water-level change maps will be developed in a geographic information system (GIS), with the use of geo-statistical interpolation techniques (Hutchinson and others, 2011). Additional water-level change over time will be estimated by comparing measured water-levels with historic water levels measured by the USGS and reported in drillers logs.

A water-level potentiometric map completed by (Koltermann, 1984) will be digitized and georectified to difference the water-level maps from 1983 and 2018 to quantify water-level change for the past 35 years. Interpolated water-level surfaces will be differenced to estimate change in the water-table and aquifer storage. Water-level change in areas of 1, 10, and 40 acre parcels with domestic wells will be evaluated to characterize water level trends by parcel size.

Aquifer Properties

Aquifer properties and characteristics will be evaluated to provide understanding of the properties controlling groundwater movement and storage. On an opportunistic basis, borehole geophysics will be collected with a Mount Sopris Matrix System ®, and MGXII data logger provided by the USGS Office of Geophysics. The project will use available volunteer well(s), no wells or boreholes will be drilled by this project. Geophysical data will be collected from replacement domestic well(s) by lowering the Mount Sopris Matrix System down the open well borehole. The geophysical sensor will be configured with multiple sensors to provide detailed information of aquifer properties (table 1). The geophysical data will be used to characterize fracture networks and estimate local aquifer properties. Aquifer properties over a larger area will be evaluated with 3-5 aquifer tests and made available on the *USGS Nevada Water Science Centers Aquifer Test webpage*. The estimate of aquifer hydraulic properties will be made from either single or multi-well drawdown tests. Single well aquifer tests will be analyzed using the Cooper-Jacob method (Cooper and Jacob, 1946) programmed in the aquifer-test analysis spreadsheet developed by Halford and Kuniansky (2002).

Table 1. Description of sensors on the Mount Sopris borehole geophysical instrument.

Method	Description
Acoustic Tele-viewer (ATV)	Provide orientation (strike and dip) of bedrock fractures and lithologic contacts.
Caliper	Measures changes in bedrock wall diameter and constrictions in lithology
EM Induction	Delineates changes in rock type, and fluids in rock formation
Flowmeter	Provides rate and direction of vertical flow
Gamma	Identification of rock type
IP and Normal Resistivity	Used to determine lithology, saturation and/or porosity, and estimate fracture density.
OTV	Photography of borehole wall

Surface-Water and Spring Monitoring

Lousetown Creek is the main ephemeral stream flowing through the central VC Highlands during winter and spring precipitation and runoff (fig. 1). Sharp (1974) concluded the Comstock fault may be the controlling influence on the location of Lousetown Creek and seepage from Lousetown Creek may contribute the majority of groundwater recharge through fractured areas (Koltermann, 1984). Lousetown Creek will be monitored with two flume installations for the duration of the project. The flumes will be used for differential gaging to identify loss in flow between gage locations. Loss in flow indicates seepage or infiltration that may reach the water-table as recharge. Additionally, precipitation event based measurements will be made in drainages to quantify the runoff in the area. Discrete discharge measurements at spring locations will be completed on a bi-annual basis.

Precipitation

Precipitation is currently collected at two weather stations located on the western side of the VC highlands (fig. 1). Due to potential rain shadow effects and precipitation gradient with altitude and possible limitations associated with measurement of snow precipitation, additional precipitation measurements sites will be expanded to the central and eastern side of the study area at two to four locations. Precipitation will be measured at varying elevations using bulk precipitation gages. The gages will be located at volunteer residences for the duration of the project. Weather station and bulk precipitation gage data will be used to estimate the total annual precipitation in the VC Highlands for each of the years of the study.

QUALITY ASSURANCE

All field data collected as part of this project will be managed according to USGS Nevada Water Science Center Data Management plan (USGS, 2010). Water level data will be collected and processed in accordance with Nevada Water Science Center (NVWSC) and USGS quality assurance/quality control protocols, plans, and policies. Aquifer-test analysis will receive colleague review and approval by the NVWSC groundwater specialist prior to being submitted for bureau approval. Aquifer tests analysis reporting will be done according to USGS Office of Groundwater technical memo 2009.01 (*https://water.usgs.gov/admin/memo/GW/gw09.01.html*). The Scientific Investigation Report will be peer-reviewed and will follow USGS fundamental science practices. The project will undergo a minimum of annual review by Nevada Water Science Center management and technical specialists. Additionally, the USGS will provide

quarterly progress reports to Storey County and will provide a project update at least once annually to stakeholders through public meetings.

DATA MANAGEMENT PLAN

Explicit data management and quality assurance activities are described throughout this proposal. In accordance with the NVWSC data management plan (USGS, 2010) and USGS fundamental science practices, all data associated with the project will be stored in appropriate, publically accessible, USGS databases and clearinghouses, including the USGS NWIS database. Reviewed and approved data and relevant GIS datasets and metadata not released through USGS NWIS will be made available online through ScienceBase or other appropriate USGS geospatial data clearinghouses.

PRODUCTS

The project will produce quality-assured/quality-controlled data available through the USGS NWIS database and/or as data releases through ScienceBase. The data will be accessible to the cooperating agencies and the public on the USGS Water Data for the Nation website (USGS, 1998 and 2012). Approved aquifer tests will be published on the NVWSC Aquifer Test website *https://nevada.usgs.gov/water/AquiferTests/*. A Scientific Investigations Report (SIR) will be made available to the public through the USGS Publication Warehouse (*https://pubs.er.usgs.gov/*).

PROJECT SCHEDULE

The 5 year study is planned to start in July, 2017 and be completed by the end of June, 2022. Quarterly progress reports will be sent to Storey County and annual stakeholder presentations will be given in the VC Highlands community. Table 1 below provides a general timeline for the major tasks of the study.

Table 2. Project schedule for completion of major study tasks.

[Quarters are based on State Fiscal Year. 1st quarter is Jul-Sep, 2nd quarter is Oct-Dec, 3rd quarter is Jan-Mar, and 4th quarter is Apr-Jun]

Task	State Fiscal Year																			
	FY18				FY19				FY20				FY21				FY22			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Quarterly Updates	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Annual Presentations				x				x				x				x				x
Monitor Groundwater	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x				
GPS Survey	x	x																		
Monitor Surface Water		x	x			x	x			x	x			x	x					
Monitor Precipitation	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x				
Aquifer tests and analysis						x	x	x												
Geophysics and analysis										x	x	x								
Create Water-level Change Map				x				x				x	x	x	x	x				
Write/Publish Report														x	x	x	x	x	x	x
Federal Fiscal Year	FY17	FY18			FY19				FY20				FY21				FY22			

PERSONNEL

The USGS component of this project will be managed and conducted by a GS-11 hydrologist. The field work component of this project will also require a GS- 9 hydrologic technician. The

NVWSC Groundwater Specialist will assist in the data review and quality assurance. The USGS NVWSC currently has the staff available for this work.

BUDGET

The overall cost for this project is approximately $254,300. This agreement will be renewed on a year-by-year basis with Storey County. Table 3 summarizes the cost for USGS and Storey County, respectively, by major category, fiscal year, and cost share.

Table 3. Project major category and fiscal year costs

Cost Category	FY18	FY19	FY20	FY21	FY22	Total
Labor	$ 51,830	$ 51,400	$ 51,400	$ 49,800	$ 39,900	$ 244,330
Equipment and Supplies	$ 170					$ 170
Report Processing					$ 9,800	$ 9,800
Total	$ 52,000	$ 51,400	$ 51,400	$ 49,800	$ 49,700	$ 254,300

Funding	FY18	FY19	FY20	FY21	FY22	Total
USGS Funding (50.0%)[1]	$ 26,000	$ 25,700	$ 25,700	$ 24,900	$ 24,850	$ 127,150
Storey County Funding (50.0%)	$ 26,000	$ 25,700	$ 25,700	$ 24,900	$ 24,850	$ 127,150
Total	$ 52,000	$ 51,400	$ 51,400	$ 49,800	$ 49,700	$ 254,300

Project Task	FY18	FY19	FY20	FY21	FY22	Total
Groundwater Network	$ 19,003	$ 9,330	$ 10,547	$ 10,414	$ 1,872	$ 51,167
Surface Water Monitoring	$ 16,661	$ 8,482	$ 9,589	$ 9,468	$ -	$ 44,199
Precipitation Monitoring	$ 2,795	$ 1,357	$ 1,534	$ 1,515	$ -	$ 7,201
Spring Monitoring	$ 1,001	$ 1,357	$ 1,534	$ 1,515	$ -	$ 5,407
Project management	$ 2,153	$ 2,036	$ 2,301	$ 2,272	$ 6,552	$ 15,314
Differential GPS	$ 5,382	$ -	$ -	$ -	$ -	$ 5,382
Aquifer test and analysis	$ -	$ 22,053	$ -	$ -	$ -	$ 22,053
Geophysics analysis	$ -	$ -	$ 22,059	$ -	$ -	$ 22,059
Water-level change analysis	$ -	$ -	$ -	$ 20,829	$ -	$ 20,829
Report and analysis	$ 5,005	$ 6,785	$ 3,835	$ 3,787	$ 25,272	$ 44,684
Report publishing	$ -	$ -	$ -	$ -	$ 16,005	$ 16,005
Total	$ 52,000	$ 51,400	$ 51,400	$ 49,800	$ 49,700	$ 254,300

[1] - USGS will provide up to 50% funding match based on availability of funds from the cooperative water program. The USGS currently anticipates matching 50% through the life of this project. Availability of matching funds is dependent on US government budget appropriation. In the unlikely event that USGS cooperative funds become unavailable; project plans, details, and costs may be renegotiated with Storey County.

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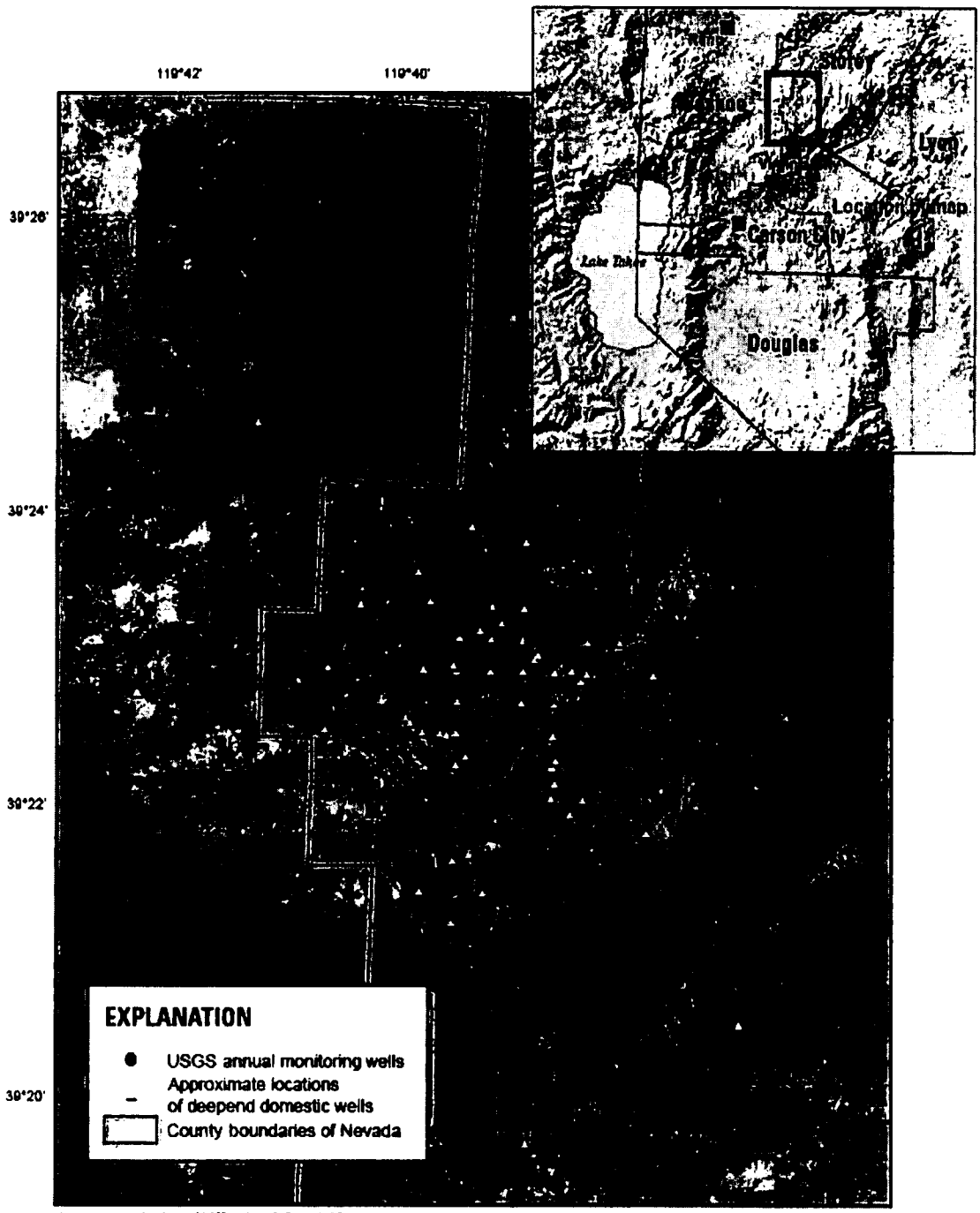

Hydrography modified from 1:24 000-scale U.S. Geological Survey (USGS) National Hydrography Dataset, 2014. Drainage basin boundaries from 1:24 000-scale Watershed Boundary Dataset, 2013. Deepened wells from Nevada Division of Water Resources Well Log Database, 2016. Universal Transverse Mercator, Zone 11N, North American Datum of 1983.

Figure 1. Location of monitoring and deepened domestic wells near Virginia City Highlands, Storey County, Nevada.

Storey County Board of County Commissioners
Agenda Action Report

Meeting date: 09/01/20 **Estimate of time required:** 15 min.

Agenda: Consent [ ] Regular agenda [x] Public hearing required [x]

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1. **Title:** Discussion/Possible Action: Approval of amendments to the 07/21/20 Memorandum of Understanding (MOU) between Storey County, Carson City, and the Truckee Meadows Water Authority (TMWA) as a preliminary expression of general intention and to provide the basis for negotiations of a definitive agreement with the State of Nevada with respect to deliveries of water from the State-owned Marlette Lake Water System. Amendments will clarify language strengthening Storey County's participating role in the MOU and clarify language regarding potential surplus water for current and future use by the parties. A definitive agreement for board consideration is planned to be ready in two years.

2. **Recommended motion:** I [county commissioner] approve the amendments presented by staff to the 07/21/20 Memorandum of Understanding between Storey County, Carson City, and the Truckee Meadows Water Authority (TMWA) to clarify language strengthening Storey County's participating role in the MOU and clarify language regarding potential surplus water for current and future use by the parties. This amended MOU will supersede the 07/21/20 MOU.

3. **Prepared by:** Austin Osborne

4. **Department:** County Manager **Telephone:** 775.847.0968

5. **Staff summary:** This amendment will clarify Storey County's participating status and future surplus water available for consideration in the MOU approved by the board on 07/21/20. The State of Nevada owns and sells water from the Marlette Lake Water System for beneficial use in Storey County, Carson City, and Washoe County. There are approximately 11,476 acre-feet; however, the State is not maximizing the beneficial use of these water resources and only a portion are used by Carson City and Storey County. Additionally, State operations of this system are challenged by funding constraints, aging infrastructure, and the need for additional data to inventory and quantify system flows and capacities. These matters will be assessed by the parties under this MOU for a two-year period. The results of Phase I of the Storey County Water Resources Master Plan (Comstock, Highlands, and Mark Twain segment), currently under development by Storey County, will guide county and state officials in negotiating a successor water use agreement. Note that the Marlette Lakes Water System is the sole source of municipal water for Comstock communities, and priority will be given to protecting this resource for existing and future demands. Attention will also be given to seek surplus water in the system that may be used in the future for the Highlands and Mark Twain.

6. **Supporting materials:** MOU Draft with markup amendments.

7. **Fiscal impact:** None on local government.

Funds Available: Fund: ____ Comptroller

8. **Legal review required:**

__yes__ District Attorney

9. **Reviewed by:**

____ Department Head Department Name:

__@'__ County Manager Other agency review: _____

10. **Board action:**

[ ] Approved [ ] Approved with Modifications
[ ] Denied [ ] Continued Agenda Item No. 11

MEMORANDUM OF UNDERSTANDING
MARLETTE LAKE WATER SYSTEM

This Memorandum of Understanding ("MOU") is entered into by and between the Truckee Meadows Water Authority ("TMWA"), Storey County ("Storey") and Carson City ("Carson"). TMWA, *Storey,* and Carson are individually referred to as "Party" and collectively as "Parties".

RECITALS

WHEREAS, Carson, Storey and TMWA are each responsible for providing municipal water service to customers within their respective jurisdictions.

WHEREAS, the State of Nevada ("State") owns and may sell water from the Marlette Lake Water System (MLWS) for beneficial use in Carson City, Storey County, and Washoe County. MLWS includes water rights totaling approximately 11,476 acre-feet; however, the State is not maximizing the beneficial use of MLWS water resources and only a portion are currently used by Carson and Storey. Additionally, State operations of MLWS are challenged by funding constraints, aging infrastructure and the need for additional data to inventory and quantify system flows and capacities.

WHEREAS, the Parties desire to enter this MOU as a preliminary expression of general intentions and to provide the basis for negotiations of a definitive agreement with the State with respect to deliveries of MLWS water. The Parties anticipate that the terms of a definitive agreement can be reached within two years from the date of execution of this MOU.

WHEREAS, if properly planned and managed, the MLWS will remain an important water source for and meet the needs of Storey and Carson while also delivering surplus water to TMWA, and by working together the Parties can facilitate more efficient and economic alternatives to address the State's funding constraints in operating and maintaining the MLWS.

WHEREAS, the MLWS is the sole source of municipal supply to Storey. The Parties recognize Storey's reliance on and historic priority to MLWS water usage and desire to protect and facilitate MLWS deliveries to Storey for its existing and future demands.

WHEREAS, Carson relies on the MLWS to meet a portion of its existing municipal supply. Based on past master planning and current forecasted conditions subject to change, Carson estimates it will require approximately 3,000 acre feet per year of MLWS water to meet existing demands and future build out demands for 80,000 residents.

WHEREAS, TMWA is the regional water manager for the Truckee Meadows. Through the Truckee River Operating Agreement, TMWA can utilize surplus MLWS resources, water beyond the needs of Carson and Storey, to enhance the resiliency and operational efficiency of TMWA's water resource supplies, especially in years of normal or better than normal precipitation where surplus MLWS resources are available.

WHEREAS, the Parties desire to work cooperatively to identify surplus water resources in the MLWS that can be made available and delivered to TMWA in a manner that does not adversely impact or diminish MLWS deliveries to Storey and Carson. The Parties recognize Storey's and

Carson's reliance on and historic priority to MLWS water usage and desire to protect and facilitate MLWS deliveries for existing and future demands as described herein.

WHEREAS, TMWA, Storey and Carson are political subdivisions of the State of Nevada and are public agencies as defined by NRS 277.100, and under NRS 277.180 are authorized to contract regarding any activity, service or undertaking which they are authorized by law to perform.

NOW THEREFORE, in consideration of the mutual covenants hereinafter set forth, the Parties agree as follows:

A. PURPOSE AND OBJECTIVE

The purpose of this MOU is to set forth common objectives of the Parties in working with the State. TMWA, Storey and Carson desire to assist the State in maximizing the beneficial uses of MLWS water resources, and work with the State to explore mutually beneficial opportunities to enhance revenues for funding operations and maintenance of MLWS, improve operating procedures, allocate water resources to Carson and Storey for municipal demands including critical water storage supplies in Marlette Lake, and identify surplus resources for delivery to TMWA. TMWA, Storey and Carson desire to offer their collective utility operational expertise to assist the State to further such objectives and improve water management and operational aspects of MLWS.

B. GOALS

The common objectives include the following terms and/or elements:

1. Maximize Use of MLWS Resources. The Parties desire to assist the State in maximizing the beneficial use of the State's available water resources from the MLWS by TMWA, Carson and Storey, while preserving the historic priorities for MLWS water usage described in the recitals above.

2. Identification of Existing and Future Municipal Demands. Carson and Storey will provide to all parties their existing and potential future municipal water demands from MLWS, including existing Marlette Lake storage requirements ("Carson and Storey Existing Demands"). The Parties recognize Carson's desire, based on current forecasted conditions ~~based~~ subject to change, for 3,000 acre feet per year of MLWS supplies for its existing and future build out demands, and will work cooperatively to identify Storey's and Carson's future build out demands for municipal water from the MLWS ("Carson and Storey Future Demands"). *Storey's Future Demands include those for Virginia City, Gold Hill, Silver City (Silver City is located in Lyon County but is served by the Virginia City Water System), American Flat and their immediate surrounding areas of the Comstock, and also include the Virginia City Highlands, Highland Ranches, and Mark Twain Estates.* The Parties will take into account existing infrastructure, paid for by Carson and Storey, that serves existing demands of Carson and Storey, which ~~should~~ *shall* not be restricted by surplus water beneficially used by TMWA, and improvements to the East Slope collection system and increase in capacity of infrastructure necessary to transport water in connection with the Carson and Storey Future Demands.

3 Identification of Surplus MLWS Water. The Parties will work cooperatively to identify surplus water resources owned by the State that can be made available for delivery to

TMWA ~~and Storey~~ ("Surplus MLWS Water") and to develop information necessary to assist the State with developing the master plan and operating agreement described in Section 4. It is the Parties' intention that deliveries to TMWA will not adversely impact or diminish Carson and Storey Existing Demands or Carson and Storey Future Demands.

4. Assistance with State Master Plan. The Parties will work cooperatively with the State on the following:

i) Identifying and defining the amount, timing and source of water resources available to TMWA, Carson and Storey, allocations, priority and availability of water supplies, including in times of drought or varying hydrologic conditions;

ii) Establishing a long-term operating agreement that:

a) maximizes the beneficial use of the State's available water resources;

b) preserves the priority of Carson and Storey Existing Demands;

c) protects and facilitates MLWS deliveries for Carson and Storey Future Demands;

d) addresses an agreed upon delivery schedule;

e) addresses special conditions of service; and

f) addresses pre-determined adjustments to the quantity of water available for sale under variable hydrologic conditions which may occur in any given year;

iii) Identifying necessary long-term infrastructure replacements, improvements, costs and potential funding mechanisms;

iv) Installing and/or improving monitoring and gauging devices in the Marlette Lake Water System to accurately account for the available water resources;

v) Cost of service study and methodology for rate setting procedures which establish an equitable allocation of capital and operating costs between the Parties;

vi) Memorializing with the Nevada Department of Wildlife ("NDOW") the specific operating restrictions, if any, on discharges of water impounded in Marlette Lake in connection with fisheries operations on Marlette Lake; and

vi) Establishing operating guidelines for storage in Marlette Lake for the Parties.

5. Permitting and Regulatory Approvals. Storey and Carson shall cooperate with TMWA and the State regarding any necessary permitting, authorizations, or approvals required by the State Engineer, Federal Water Master, Bureau of Reclamation, or any other agency or entity to use the surplus MLWS for TMWA's intended purposes consistent with this MOU.

C. TERM

This MOU may be extended or terminated by mutual consent of the parties or unilaterally by any party without cause upon thirty (30) days written notice.

D. GENERAL PROVISIONS.

1. Notice. All notices or other communications required or permitted to be given under this Agreement must be in writing and will be deemed given if delivered: personally by hand; by facsimile with simultaneous regular mail; or mailed certified mail, return receipt requested, and addressed to another Party at the following address:

TMWA

Director, Natural Resources
Truckee Meadows Water Authority
1355 Capital Blvd.
Reno, NV 89502
Tel: (775) 834-8250

Carson

Public Works Director
Carson City Public Works
3505 Butti Way
Carson City, NV 89701
Tel: (775) 887-2355
Fax: (775) 887-2112

Storey

County Manager
P.O. Box 176
Virginia City, NV 89440

Any Party may, by notice in writing sent to the Parties as described above, designate a different mailing address to which or a different person to whose attention all such notices or demands must thereafter be addressed.

2. Required Approval. This Agreement shall not become effective until and unless approved by appropriate authorized representative of or official action of the governing body of each Party.

3. Limited Liability. The Parties do not waive and intend to assert available liability limitations, including NRS Chapter 41, in all cases. Contract liability of the Parties shall not be subject to punitive or liquidated damages.

4. Independent Public Agencies. The Parties are associated with each other only for the purposes and to the extent set forth in this Agreement. Each Party is a public agency separate and distinct from any other Party. Nothing contained in this Agreement may be deemed or construed to create a partnership or joint venture, to create relationships of an employer-employee or principal-agent, to convey ownership of any asset, or to otherwise create any liability for one Party whatsoever with respect to the indebtedness, liabilities, and obligations of another Party. This Agreement does not contemplate any transfer of property or ownership interest between the Parties and each Party will each maintain ownership of their own facilities.

5. Severability. If any provision contained in this Agreement is held to be unenforceable by a court of law or equity, this Agreement will be construed as if such provision did not exist and the non-enforceability of the provision will not render any other provision or provisions of this Agreement unenforceable.

6. Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed an original and all of which together will constitute one and the same instrument.

7. Governing Law; Jurisdiction. This Agreement and the rights and obligations of the Parties shall be governed by and construed according to the laws of the State of Nevada. The Parties consent to the jurisdiction of, and agree that disputes will be resolved by, the courts of the First Judicial District Court of the State of Nevada.

8. Entire Agreement and Modification. This Agreement constitutes the full and final agreement between the Parties. This Agreement may not be amended or assigned except by an agreement in writing signed by all Parties and it will be binding upon and inure to the benefit of the Parties' respective successors and assigns.

9. Force Majeure. No Party shall be deemed to be in violation of this Agreement if it is prevented from performing any of its obligations hereunder due to strikes, failure of public transportation, civil or military authority, act of public enemy, accidents, fires, explosions, or acts of God, including, without limitation, earthquakes, floods, winds, or storms. In such an event the intervening cause must not be through the fault of the Party asserting such an excuse, and the excused Party is obligated to promptly perform in accordance with the terms of the Agreement after the intervening cause ceases.

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the last date written below.

TMWA: TRUCKEE MEADOWS WATER AUTHORITY, a joint powers authority and political subdivision of the State of Nevada By: _____ MARK FOREE, General Manager Dated: _____ APPROVED AS TO FORM: By: _____ MICHAEL PAGNI TMWA Legal Counsel	**CARSON**: CARSON CITY, a political subdivision of the State of Nevada By: _____ Dated: _____ APPROVED AS TO FORM: By: _____ Deputy District Attorney **STOREY**: STOREY COUNTY, a political subdivision of the State of Nevada By: _____ Dated: _____ APPROVED AS TO FORM: By: _____ Deputy District Attorney

Storey County Board of Fire Commissioners
Agenda Action Report

Meeting date: 09/01/20 **Estimate of time required:** 30 min.

Agenda: Consent [ ] Regular agenda [x] Public hearing required [x]

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1. **Title:** Discussion/Possible Action: Approval of modification and extension of 2017-2019 Collective Bargaining Agreement between the Storey County Fire Protection District (Employer) and Storey County Firefighters Association IAFF Local 4227 (Union).

2. **Recommended motion.** In accordance with the recommendation by staff and the tentative agreement between the Employer and Union, I [commissioner] approve modifying and extending the 2017-2019 Collective Bargaining Agreement between the Storey County Fire Protection District and the Storey County Firefighters Association IAFF Local 4227.

3. **Prepared by:** Jeff Nevin and Austin Osborne

   Department: Fire District and County Manager offices **Telephone:** 847-0954/847-0968

4. **Staff summary:** Pursuant to NRS 288 and the existing bargaining agreements between the Storey County Firefighters Association and the Storey County Board of Fire Commissioners, the bargaining agreements are proposed to be modified separately as tentatively agreed between the parties.

5. **Supporting materials:** Clean and markup proposed contract; benefits study; fiscal impact statement.

6. **Fiscal impact:**

   Funds Available: n/a Fund: ____ Comptroller

7. **Legal review required:**

   ____ District Attorney

8. **Reviewed by:**

   ____ Department Head Department Name: Commissioner's Office

   __@'__ County Manager Other agency review:

9. **Board action:**

   [ ] Approved [ ] Approved with Modifications
   [ ] Denied [ ] Continued

Agenda Item No. 13

Storey County Board of County Commissioners
Agenda Action Report

Meeting date: September 1, 2020 **Estimate of time required:** 10 Min

Agenda: Consent [ ] Regular agenda [X] Public hearing required [ ]

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1. Title: Discussion/Possible Action: Consideration and possible approval of Ordinance No. 20-310 authorizing the issuance by Storey County, Nevada of its Sewer Revenue Bond, Series 2020 in the maximum principal amount of $264,000 for the construction of the sewer plant in Gold Hill, Nevada and providing other matters relating thereto.

2. Recommended motion: I _(commissioner)_ Move to approve of Ordinance No. 20-310 authorizing the issuance of the Storey County, Nevada, sewer revenue bond, series 2020 in the maximum principal amount of $264,000 to pay in part the cost to finance a sewerage project; providing the forms, terms and conditions of the bond, the security and the sale thereof; providing other matters relating thereto and the effective date hereof.

3. **Prepared by:** Lara Mather
Department: Community Relations **Telephone:** 847-0986

4. **Staff summary:**

5. **Supporting materials:** Bond Ordinance 52073813v3

6. **Fiscal impact:** Funds Available: Fund:

7. **Legal review required:**
____ District Attorney

8. **Reviewed by**:
____ Department Head Department Name: Commissioner's Office

____ County Manager Other agency review: _____

9. **Board action:**
[ ] Approved [ ] Approved with Modifications
[ ] Denied [ ] Continued

Agenda Item No. 15
Agenda Item No. _____

Staff Summary:

Storey County received a letter of conditions dated May 9, 2019, as amended on September 19, 2019 from USDA, Rural Development in connection with the financing for the Gold Hill Sewer-Package Treatment Plant and Wastewater Application. The Letter of Conditions obligates a loan from USDA, RD in the amount of $264,000, a grant from USDA, RD in the amount of $785,800 and NDEP State Revolving Funds in the amount of $530,000. The County has accepted a bid for the construction. The Letter of Conditions obligated the loan at an interest rate not to exceed 2.50%. USDA, RD has informed the County that if the loan closes by September 30, 2020, the interest rate will be 1.125%. The County is anticipating a loan closing of September 17, 2020.

The adoption of the bond ordinance in a single reading as if an emergency existed is authorized by NRS 350.579. The bond will be sold to USDA, RD for the amount of the loan from USDA, RD. The loan will not be a general obligation of the County as repayment will be from revenues generated by the sewer system.

Summary - An ordinance authorizing the issuance by Storey County, Nevada of its Sewer Revenue Bond, Series 2020 in the maximum principal amount of $264,000 and providing other matters relating thereto.

BILL NO.
ORDINANCE NO.

AN ORDINANCE AUTHORIZING THE ISSUANCE OF THE STOREY COUNTY, NEVADA, SEWER REVENUE BOND, SERIES 2020 IN THE MAXIMUM PRINCIPAL AMOUNT OF $264,000 TO PAY IN PART THE COST TO FINANCE A SEWAGE PROJECT; PROVIDING THE FORMS, TERMS AND CONDITIONS OF THE BOND, THE SECURITY AND THE SALE THEREOF; PROVIDING OTHER MATTERS RELATING THERETO AND THE EFFECTIVE DATE HEREOF.

WHEREAS, Storey County, Nevada (the "County" and the "State," respectively), is a political subdivision of the State, a body corporate and organized and operating as a County under the statutes of the State; and

WHEREAS, pursuant to Nevada Revised Statutes ("NRS") Sections 244A.011 through 244A.065, inclusive (the "Project Act") and NRS Sections 350.350 through 350.490, NRS (the "Sewer Act"), cited in NRS Section 350.350 as the Water and Sewer Revenue Bond Law, the Board of County Commissioners of the County (the "Board" or the "Governing Body") is authorized and empowered to acquire, improve, equip, operate and maintain, within the County, a sewerage project as defined in NRS 244A.0505 (the "Project"); and

WHEREAS, pursuant to the Project Act and the Sewer Act, the County is authorized and empowered to issue the County's sewer revenue bonds to defray the cost of the Project in part, in the manner and on the conditions provided in the Project Act, the Local Government Securities Law, cited as NRS 350.500 through 350.720, inclusive, and all laws amendatory thereof (the "Bond Act") and the Sewer Act; and

WHEREAS, for the purpose of defraying a part of the cost of the Project, the Board deems it necessary to issue the "Storey County, Nevada, Sewer Revenue Bonds, Series 2020" in the aggregate maximum principal amount of $264,000 (the "Bonds" or the "Bond") payable solely from the Net Revenues (as defined herein); and

WHEREAS, the payment of the principal of and interest on the Bond will be secured by the net revenues of the County's municipal sanitary sewer system (the "System"); and

WHEREAS, the County has not pledged the revenues derived and to be derived from the operation of the System for the prepayment of any securities payable from such revenues, or otherwise, with the result that such revenues may be pledged lawfully and irrevocably to secure the payment of the Bond; and

WHEREAS, the United States of America, Department of Agriculture, acting by and through Rural Development ("RD"), pursuant to a letter of conditions dated May 9, 2019, as amended, and by an approved request for obligation of funds, has agreed to purchase all of the Bonds herein authorized at par and at an interest rate of 2.50% per annum (provided, however, that the County may elect to take the RD rate available at the date of issuance of the Bond, if lower) (the "Interest Rate"); and

WHEREAS, the Board has determined and does hereby determine and declare that the proposal for the purchase at private sale pursuant to NRS 350.616 of the single Bond by RD, for a price consisting of the maximum principal amount of such Bond, at the Interest Rate, and otherwise maturing, being secured and otherwise being issued as herein provided, constitutes the best proposal for the Bond and is to the best advantage of the County; and

WHEREAS, the effective Interest Rate on the Bond herein authorized or such lower elected rate, does not exceed by more than 3% the "Index of Revenue Bonds" which was most recently published before a negotiated offer was accepted for the Bond; and

WHEREAS, the Board hereby determines that it is necessary and advisable that the County incur a bonded indebtedness by issuing the Bonds pursuant to the Project Act, the Sewer Act and the Bond Act; and

WHEREAS, the Board has determined and hereby declares that each of the limitations and other conditions to the issuance of the Bonds in the Bond Act, the Project Act, the Sewer Act and in any other relevant act of the State or the federal government has been met, and pursuant to NRS 350.708 of the Bond Act such determination of the Board that the limitations in the Bond Act have been met shall be conclusive in the absence of fraud or arbitrary and gross abuse of discretion; and

WHEREAS, the Board has determined and does hereby declare:

1. This Ordinance pertains to the sale, issuance and payment of the Bond;

2. Such declaration shall be conclusive in the absence of fraud or gross abuse of discretion in accordance with the provisions of Section 350.579 of the Bond Act; and

3. This Ordinance may accordingly be adopted as if an emergency exists and may become effective at any time when an emergency ordinance of the County may go into effect.

NOW, THEREFORE, THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF STOREY DO ORDAIN:

Section 1. This ordinance shall be known and may be cited as the "2020 Sewer Revenue Bond Ordinance" (herein the "Ordinance").

Section 2. Definitions. The terms defined in this section, except where the context requires otherwise, shall have the following meanings in this Ordinance:

"Bond Act" or "Act" means the Local Government Securities Law, cited as NRS 350.500 through 350.720, inclusive, and all laws amendatory thereof.

"Bond Account" means the "2020 Sewer Revenue Bond Account" created in section 28 of this Ordinance.

"Bond" means the securities herein authorized designated as the "Storey County, Nevada, Sewer Revenue Bond, Series 2020" in the aggregate maximum principal amount of $264,000.

"2016 Bond" means the securities designated as the "Storey County, Nevada, Sewer Revenue Bond, Series 2016" in the aggregate maximum principal amount of $4,058,000.

"2015 Bond" means the securities designated as the "Storey County, Nevada, Sewer Revenue Bond, Series 2015" in the aggregate maximum principal amount of $3,002,000.

"Consulting Engineer" or "Project Engineer" means any qualified registered or licensed professional engineer practicing under the laws of the State of Nevada.

"County" means Storey County, Nevada.

"Fiscal Year" means the twelve months commencing July 1 of any year and ending June 30 of the next succeeding year.

"Gross Revenues" means all income and revenue derived by the County from any rates, fees, tolls, connection charges, stand-by charges and charges for availability of sewer services furnished by, or the use of, the municipal sewer system as the same may at any time exist to serve

customers within or outside the County limits, whether resulting from improvements, extensions, or otherwise.

"Holder," "Owner" or "Registered Owner" means a person (including RD) in possession and the apparent owner of the Bonds.

"Independent Accountant" means any certified public accountant practicing under the laws of the State of Nevada who is independent and not an officer or employee of the municipality.

"Insured Bank" means a bank defined in NRS 350.512 and qualified to accept public deposits under state law which is a member of the Federal Deposit Insurance Corporation.

"Net Revenues" means the Gross Revenues less the Operation and Maintenance Expenses. The designated term indicates sources of revenues and does not necessarily indicate all or any portion or other part of such revenues in the absence of further qualification.

"Operation and Maintenance Expenses" means all reasonable and necessary current expenses of the County, paid or accrued, for operating, maintaining and repairing the System, as defined in NRS 350.542 including legal and overhead expenses of the County directly related to the administration of the System, insurance premiums, audits, charges of depository banks and paying agents, professional services, salaries and administrative expenses, labor, and the cost of materials and supplies for current operation, but excluding any allowance for depreciation, any costs of improvements to the System, any accumulation of reserves for major capital replacements (other than normal repairs) or for the operation, maintenance or repair of the System, any allowance for the prepayment of any securities of the County, or any other ground of legal liability not based on contract, in accordance with NRS 350.544.

"Parity Securities" means any additional bonds, securities or other obligations issued hereafter with a lien on the Net Revenues on a parity with the lien thereon of the outstanding Bonds including the 2015 Bond and the 2016 Bond.

"Paying Agent" means the office of the Treasurer of the County.

"Project" means the cost to acquire, improve, equip, operate and maintain, within the County, a sewerage project as defined in NRS 244A.0505, to be financed in part by the Bonds and described in the preambles hereto.

"Project Act" means NRS 244A.011 through 244A.065, inclusive, and all laws amendatory thereof.

"Purchaser" means the United States of America, acting by and through RD.

"RD" means the United States of America Department of Agriculture, Rural Development or any successor to Rural Development.

"Registrar" means the office of the County Treasurer.

"Reserve Account" means the "2020 Sewer Revenue Bond Reserve Account" created in section 28 of this Ordinance.

"Sewer Act" means NRS 350.350 through 350.490, inclusive, and all laws amendatory thereof.

"System" means all of the County's municipal sewer system, and its sewer facilities and properties now owned or hereafter acquired, whether situated within or without the County boundaries.

Section 3. Authority for This Ordinance. This Ordinance is adopted pursuant to the Project Act, the Sewer Act and the Bond Act.

Section 4. Life of the Project. The Board has determined and does hereby declare that the estimated life or estimated period of usefulness of the improvements to the System financed by the Bonds is not less than 40 years from the date of the Bonds; and the Bonds shall mature at such times not exceeding such estimated life or estimated period of usefulness of the System.

Section 5. Acceptance of Purchase Proposal. The proposal submitted by RD for the purchase of the Bond in the maximum principal amount of $264,000 at the Interest Rate which was received by the County at the private sale of the Bonds be, and the same hereby is, accepted.

Section 6. Ratification. All consistent action taken previously by the Board and the County officers directed toward the Project and toward the issuance of the Bonds for that purpose is ratified, approved and confirmed.

Section 7. Authorization of Project. A cost of the Project in an amount of at least $264,000 will be financed from Bond proceeds.

Section 8. Necessity of Project and Bonds. It is necessary and in the best interests of the County and its inhabitants that the County effect the Project and defray in part the cost thereof by issuing the Bonds therefor.

Section 9. Ordinance to Constitute Contract. In consideration of the purchase and the acceptance of the Bonds by RD on behalf of the United States of America and by those

who shall own them from time to time, this Ordinance shall be deemed to be and shall constitute a contract between the County and the Registered Owner.

Section 10. Bonds Equally Secured. The covenants and agreements herein set forth to be performed on behalf of the County shall be for the equal benefit, protection and security of the Owners of any and all of the Bonds, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds of this issue over any other thereof, except as otherwise expressly provided herein.

Section 11. Special Obligations. The Bonds shall be payable and collectible (except as herein otherwise provided) solely from the Net Revenues, which revenues are so pledged; the Holder or Registered Owner may not look to any general or other fund for the payment of the principal of, or interest on the Bonds, except the Bond Account and the Reserve Account which are hereby pledged therefor. The Bonds shall not constitute an indebtedness or a debt within the meaning of any constitutional or statutory provision or limitation and the Bonds shall not be considered or held to be a general obligation of the County but shall constitute its special obligation. The County does not pledge its full faith and credit for the payment of the Bonds.

Section 12. Character of Agreement. None of the covenants, agreements, representations and warranties contained herein or in the Bonds, in the absence of any breach thereof, shall ever impose or shall be construed as imposing any liability, obligation or charge against the County (except the special funds pledged therefor) or its general credit, payable out of its general fund or out of any funds derived from taxation.

Section 13. Authorization of Bonds. For the purpose of providing funds to pay a portion of the cost of the Project, the County shall issue the Bond in the maximum principal amount of $264,000 or such lesser amount as shall be advanced under the Bond. The Bond shall be issued and be payable both as to principal and interest, solely from the Net Revenues of the County's System, and the County shall pledge irrevocably such Net Revenues to the payment of the Bond and the interest thereon, the proceeds thereof to be used solely for the aforesaid purpose, pursuant to the Project Act, the Sewer Act and the Bond Act. RD has requested, and the County has agreed, that the obligation of the County hereunder shall be represented in the form of a single registered Bond. The Bond shall be in the form substantially as set forth in section 22 hereof.

Section 14. Bond Details. The Bond shall be issued in fully registered form, i.e., registered as to both principal and interest, in compliance with Section 149 of the Tax Code, and

the regulations of the Secretary of the Treasury thereunder. The Bond shall be dated initially as of the date of delivery thereof to RD. The Bond shall bear interest at the Interest Rate on the unpaid balance advanced under the Bond until the principal advanced under the Bond is paid in full. The County's indebtedness as represented by the Bond shall be $264,000 or such lesser amount as shall represent the aggregate principal amount advanced to the County as shown on the principal advance panel attached to the Bond (the "Principal Advance Panel") and the registration records maintained by the Registrar. Interest accrual shall be calculated based on a 365 day year and actual days elapsed. The interest payments on the Bond shall be made by the County monthly on the anniversary of the date of delivery of each Bonds commencing one month after delivery of the Bonds. The amortized principal payments on each Bond shall be made by the County in installments monthly on the anniversary of the date of delivery of the Bond commencing one month after delivery of the Bonds and continuing monthly until the principal of each Bond is paid in full. The principal and interest payments shall be fully amortized so as to produce substantially equal monthly payments (of principal and interest) from payment date to payment date and which shall be in an amount sufficient to fully pay the total principal of and interest on each Bond within 40 years of the date thereof. Except as otherwise provided herein, every payment on the Bonds shall be applied first to interest computed to the date of payment and then to principal.

Principal on the Bond shall be advanced by RD upon the written request of the County. The County Chairman, Treasurer and Comptroller are each hereby authorized to request principal advances under the Bond. At the time of such principal advance, the Registrar shall make a notation of the date and amount of such principal advance on the Principal Advance Panel and the registration records maintained by the Registrar. The Registrar shall provide such Principal Advance Panel to the Registered Owner to be included with the Bond. The registration records maintained by the Registrar shall be conclusive evidence of the amounts and dates of any principal advances.

The Interest Rate submitted by the RD, in accordance with their regulations, as of the date of loan approval, was 2.50% per annum, for each Bond which may or may not be the lower rate charged by the RD at the time of loan closing. Should the Interest Rate at the date of delivery of the Bond be lower than the Interest Rate in effect at the time of the loan approval, the Board directs the County Treasurer or designee to make a written request to the RD for the lower rate, and the Board hereby authorizes the Chairman and the County Treasurer to execute the Bond

providing for the lower rate of interest. If any installment of principal is not paid when due, then in addition to installments thereafter becoming due, the County shall pay interest on the unpaid balance of the total principal amount from the due date of the delinquent installment to the date of payment of the delinquent installment, provided, that interest accruing by reason of any such delinquency shall not include any interest applicable to such delinquency period in any installment subsequently paid, and shall in no event cause the total interest payable on the Bond to exceed the rate of 2.50% per annum or such lower rate of interest as set forth in the Bond, on the unpaid balance of the total principal amount. The final installment on the Bond shall be payable in lawful money of the United States of America without deduction for exchange or collection charges at the office of the Treasurer of the County. The final installment of principal and interest due on the Bond is payable only upon surrender of the Bond to the County. If, upon presentation at or after maturity, payment of the Bond is not made as herein provided, interest thereon shall continue at the same rate per annum until the principal thereof is paid in full.

So long as the United States is the Registered Owner of the Bond, payment of installments of principal and interest shall be made at the appropriate United States office, currently designated as 1390 S. Curry St., Carson City, Nevada 89703, or at such other address as the United States may designate in writing. During the time any registered assign is the Registered Owner of the Bond, payment shall be made at the address shown on the registration record kept by the Treasurer of the County, being both the registrar (the "Registrar") and paying agent (the "Paying Agent") for the Bond. The Bond must be registered by any Registered Owner, and may be assigned in the manner and with the effect set forth in the provisions for registration contained in the form of bond hereinafter set forth, and as herein further provided. The principal and interest of the single registered Bond shall be payable only to, or upon the order of, the Registered Owner or his legal representative. Upon issuance to the United States, the Bond shall be registered in the name of the "United States of America".

The County hereby reserves the right, at its option, to prepay the principal amount outstanding, in whole, or in the manner hereinafter provided, in part, at any time, in inverse order of maturity as directed by the County Treasurer or the Comptroller. Prepayments shall be made on the date, at the place, and in the manner provided herein for making regularly scheduled installments, and partial prepayments shall be in the amount of that portion of one or more installments which would be allocable to principal. No prepayment of an installment shall extend

or postpone the due date of any subsequent installment. Any prepayments shall be in the amount of principal being prepaid, together with accrued interest thereon to the date of prepayment, and shall be made without penalty or without additional interest charges. At the time of such principal prepayment, the Registrar shall make a notation of the date and amount of such principal prepayment on the registration records maintained by the Registrar. The registration records maintained by the Registrar shall be conclusive evidence of the amounts and dates of any principal prepayments.

Section 15. Prepayment Notice. Unless waived by the Registered Owner, notice of prepayment shall be given by the County Treasurer or the Comptroller in the name of the County by electronic mail or otherwise, not less than 30 days prior to the date fixed for prepayment. A copy of the notice shall be sent at least 30 days prior to the date fixed for prepayment to any Registered Owner whose name and address appear on the registration records maintained by the Registrar. So long as any Bond is owned by the United States of America, notice shall be mailed electronically or otherwise to the United States of America at least 30 days prior to the date fixed for prepayment at such address as the United States of America or RD may designate in writing. The notice shall identify the installments of principal to be prepaid, specify the date of prepayment, and state that on such date the principal amount thereof and accrued interest to the date of prepayment will become due and payable and thereafter interest will cease to accrue. After such notice, the Bond or portions thereof so called for prepayment will be paid. Notwithstanding the provisions of this section, any notice of prepayment may contain a statement that the prepayment is conditioned upon the receipt by the Paying Agent of funds on or before the date fixed for prepayment sufficient to pay the principal amount prepaid and the accrued interest thereon to the date of prepayment, and that if such funds are not available, such prepayment shall be canceled by written notice to the owner of the Bond called for prepayment in the same manner as the original prepayment notice was mailed.

Section 16. Negotiability. Subject to the registration and payment provisions herein provided, the Bond shall be fully negotiable within the meaning of and for the purpose of the Uniform Commercial Code - Investment Securities and each Owner shall possess all rights enjoyed by owners of negotiable instruments under the Uniform Commercial Code-Investment Securities.

Section 17. Registration as to Principal and Interest. The Bond must be registered for payment as to both principal and interest. The Registrar shall maintain records for the registration and transfer of Bond.

Section 18. Registration of Bond.

A. Records for the registration of the Bond shall be kept by the Registrar. The person in whose name any Bond shall be registered, on the registration records kept by the Registrar, and as noted on the registration panel appended to the Bond, shall be deemed and regarded as the absolute owner thereof for the purpose of payment and for all other purposes; and payment of or on account of either principal or interest on any Bond shall be made only to or upon the written order of the Owner thereof or his or her legal representative. All such payments shall be valid and effectual to discharge the liability upon such Bond to the extent of the sum or sums so paid.

B. If the Bond shall be lost, stolen, destroyed or mutilated, the Registrar shall, upon receipt of such evidence, information or indemnity relating thereto as it or the County may reasonably require, and upon payment of all expenses in connection therewith, authenticate and deliver a replacement Bond; provided that if the United States of America is the holder of the Bond, no security or indemnity is required in the event of a lost or destroyed Bond. If such lost, stolen, destroyed or mutilated Bond shall have matured or shall have been called for prepayment, the Registrar may direct that such Bond be paid by the Paying Agent in lieu of replacement; provided that if the United States of America is the holder of the Bond, no security or indemnity is required in the event of a lost or destroyed Bond.

C. Whenever any Bond shall be surrendered to the Paying Agent upon payment thereof, or to the Registrar for replacement as provided herein, such Bond shall be promptly canceled by the Paying Agent or Registrar, and counterparts of a certificate of such cancellation shall be furnished by the Paying Agent or Registrar to the County.

D. The Registrar shall maintain a registration record for the Bond showing the name and address of the Registered Owner and the amounts and dates of any principal prepayments on the Bond and the amounts and dates of principal advances under the Bond.

Section 19. Form of Execution. The Chairman of the Board (the "Chairman") and the County Clerk/Treasurer may file their manual signatures with the Secretary of State, pursuant to the Uniform Facsimile Signatures of Public Officials Act, cited as Chapter 351, NRS.

The registered Bond shall be signed and executed in the corporate name of the County with the electronic, manual or facsimile signature of the Chairman, countersigned with the electronic, manual or facsimile signature of the County Treasurer, shall be attested with an electronic, manual or facsimile signature of the County Clerk, shall be authenticated by the electronic or manual signature of an authorized officer of the Registrar, and an electronic, manual or facsimile of the seal of the County shall be affixed thereto. The Bond bearing the signatures of the officers in office at the time of the signing thereof, shall be the valid and binding obligations of the County, notwithstanding that before the delivery thereof and payment therefor, any or all of the persons whose signatures appear thereon shall have ceased to fill their respective offices. Any officer herein authorized or permitted to sign any Bond at the time of its execution and of the execution of a signature certificate, may adopt as and for such officer's own electronic or facsimile signature, the electronic or facsimile signature of such officer's predecessor in office in the event that such electronic or facsimile signature appears upon the Bond.

Section 20. Incontestable Recital. Pursuant to Section 350.628 of the Bond Act, the Bond shall contain a recital that it is issued pursuant to the Project Act and the Bond Act, which recital shall be conclusive evidence of the validity of the Bond and the regularity of its issuance.

Section 21. Registration by Treasurer. Before the Bond is delivered, it shall be registered by the Treasurer of the County in a record kept in her office for that purpose. The register shall show the principal amount of the Bond, the time of payment on the Bond, and the rate of interest the Bond bears.

Section 22. Form of Single Bond. Subject to the provisions of this Ordinance, the Bond, the registration panel, and the form of assignment therefor, shall be in substantially the following form:

(Form of Bond)

STOREY COUNTY, NEVADA
SEWER REVENUE BOND, SERIES 2020

NO. R-1 Maximum Principal Amount: $_____

Dated: _____, 2020

Storey County, Nevada (the "County"), solely from the special funds provided therefor, hereby acknowledges itself obligated, and for value received, hereby promises to pay to the UNITED STATES OF AMERICA (the "United States"), the maximum principal amount above stated or such lesser amount as shall have been advanced hereunder together with interest on the unpaid balance at the rate [_____%] per annum.

. Interest payments shall be made by the County yearly on the anniversary of the date of delivery of the Bond commencing one year after the date of delivery of the Bond. Amortized principal payments shall be made by the County monthly on the anniversary of the date of delivery of the Bond commencing one month after the date of delivery of the Bond and ending within forty years of the date hereof until the total principal amount with interest thereon as aforesaid has been fully paid. The County shall pay amortized installments in an amount which shall be sufficient to fully pay the total principal amount advanced hereunder plus interest thereon within forty (40) years from the date of this Bond. An amortization schedule is attached hereto as Exhibit A and made a part of this Bond. If less than the maximum principal amount shall be advanced under this bond (this "Bond") by _____, the United States of America, Rural Development ("RD") shall prepare or cause to be prepared a revised amortization schedule showing installments of the principal advanced under this Bond, which schedule shall be provided to the County and attached hereto as Exhibit A and made a part of this Bond in place of Exhibit A attached upon the date of delivery of this Bond.

Principal may be advanced under this Bond by a written request of the County Chairman, Treasurer or Comptroller. The County Treasurer, as registrar for this Bond (the "Registrar"), shall maintain records showing the principal amount advanced hereunder and such records shall be conclusive evidence of the amounts and dates of each advance of principal.

If any installment is not paid when due, then in addition to installments thereafter becoming due, the County shall pay interest on the unpaid balance of the total principal amount from the due date of the delinquent installment to the date of payment of the delinquent installment, provided, that interest accruing by reason of any such delinquency shall not include any interest applicable to such delinquency period in any installments subsequently paid and shall in no event cause the total interest payable on this Bond to exceed the Interest Rate per annum set forth above on the unpaid balance of the total principal amount. Except as otherwise provided herein, every payment on this Bond shall be applied first to interest due through the next installment due date and then the balance to principal.

The installments of principal and interest are payable in lawful money of the United States of America, without deduction for exchange or collection charges, during the period the United States of America is the registered owner of this single Bond, at the appropriate United States Department of Agriculture, Rural Development office, currently designated as 1390 S. Curry St., Carson City, Nevada 89703, or at such other place as the United States may designate in writing, and are so payable during any period the United States is not the registered owner hereof at the address shown on the registration records of the County. The final installment of principal due on this Bond is payable only upon the surrender of this Bond to the County.

All installments of principal are subject to prepayment at the option of the County prior to their stated due dates and, in inverse order of maturity, by the payment of such principal amount and accrued interest to the prepayment date. Prepayments shall be made on the date, at the place and in the manner provided herein for making regularly scheduled installment payments and partial prepayments shall be in the amount of that portion of one or more of the final installments allocable to principal. No partial prepayment shall extend or postpone the due date of any subsequent installment. Any prepayment shall be in the amount of principal being prepaid, together with accrued interest thereon to the date of prepayment, and shall be made without penalty or additional interest or charges. Prepayment shall be made upon prior notice as provided in the 2020 Sewer Revenue Bond Ordinance authorizing this Bond and adopted on September 1, 2020 (the "Ordinance").

This single Bond is duly authorized to defray in part the cost to acquire, improve, equip, operate and maintain a sewerage project within the meaning of NRS 244A.0505, consisting of facilities pertaining to a county sanitary sewerage system (the "System") for the collection, interception, transportation, treatment, purification and disposal of sewage, liquid wastes, solid wastes, night soil and industrial wastes, including without limitation a drainage and flood control project as defined in NRS 244A.027 (the "Project"), under the authority of and in full conformity with the constitution and laws of the State of Nevada, and in particular the Bond Act (hereinafter defined) and the provisions of Nevada Revised Statutes Sections 244A.011 through 244A.065, inclusive (the "Project Act"), and Nevada Revised Statutes Sections 350.350 through 350.490, inclusive (the "Sewer Act") and all laws amendatory thereof, and pursuant to the Ordinance.

This Bond does not constitute a debt or indebtedness of the County within the meaning of any constitutional or statutory limitation and shall not be considered or held to be a general obligation of the County. The County does not pledge its full faith and credit for the payment of this Bond. Pursuant to the Project Act, as supplemented by Nevada Revised Statutes Sections 350.500 through 350.720, and all laws amendatory thereof (the "Bond Act"), and all laws thereunto enabling, this Bond is a special obligation of the County payable and collectible solely out of and secured by an irrevocable pledge of certain net income derived from the operation of the County's municipal sewer system (the "System"). The owner hereof may not look to any general or other fund for the payment of the principal of or interest on this Bond except the special funds pledged therefor. This Bond is issued pursuant to the Project Act and to the Bond Act. Pursuant to Section 350.628 of the Bond Act, this recital is conclusive evidence of the validity of this Bond and the regularity of its issuance.

Payment of this Bond and interest thereon shall be made solely from, and as security for such payment there are pledged, pursuant to the Ordinance, two special funds identified as the

"2020 Sewer Revenue Bond Account," and the "2020 Sewer Revenue Bond Reserve Account," into which the County covenants to pay from the revenues of the System, after provision only for all necessary and reasonable operation and maintenance expenses, sums sufficient to pay the principal and the interest of this Bond and to create and maintain a reasonable and specified reserve. For a description of said funds and the nature and extent of the security afforded thereby, reference is made to the Ordinance. This Bond is secured by and constitutes an irrevocable and prior lien (but not necessarily an exclusive lien) upon the net revenues of the System. Subject to designated conditions, additional bonds may be issued payable from the net revenues and having a lien thereon inferior and junior to the lien, or subject to additional conditions having a lien thereon on a parity with the lien of this Bond and the 2015 Bond (as defined in the Ordinance), in accordance with the Ordinance.

The County covenants and agrees with the owner hereof that it will keep and perform all the covenants of the Ordinance, including its covenant against the sale or mortgage of the System or any part thereof unless provision has been made for the payment of this Bond and its covenant that it will fix, maintain and collect rates sufficient to pay operating and maintenance expenses and 100% of both the principal of and the interest on this Bond and any other obligations payable annually from the net revenues of the System (including reserves).

This Bond shall be registered for payment in the name of the registered owner hereof only as to both principal and interest in the records of the County in the office of the Treasurer of the County, as Registrar, and in the panel appended to this single Bond. This Bond is transferable by the registered owner hereof, in person or by his attorney duly authorized in writing, at the office of such County Treasurer. No transfer of this Bond shall be valid until it has been duly entered in such records and duly noted on the registration panel appended to this Bond.

It is further certified, recited, and warranted that all the requirements of law have been fully complied with by the proper County officers in the issuance of this Bond.

No recourse shall be had for the payment of the principal of or the interest on this Bond or for any claim based thereon or otherwise upon the Ordinance or other instrument pertaining thereto, against any individual member of the Board of County Commissioners or any officer or other agent of the County, past, present or future, either directly or indirectly through the Board of county Commissioners or otherwise, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any penalty or otherwise, all such liability, if any, being by the acceptance of this single Bond and as a part of the consideration of its issuance specially waived and released.

IN WITNESS WHEREOF, the Board of County Commissioners of Storey County, Nevada, has caused this Bond to be signed and executed in its name and on its behalf with the manual or facsimile signature of the Chairman, countersigned by the electronic, manual or facsimile signature of the County Treasurer, attested by the electronic, manual or facsimile signature of the County Clerk, with the manual or facsimile seal of the County affixed hereto, all as of the date of the delivery hereof.

STOREY COUNTY, NEVADA

{SEAL}

(Electronic, Manual or facsimile signature)
Chairman
Countersigned:
(Electronic, Manual or Facsimile Signature)
County Treasurer

Attest:
(Electronic, Manual or Facsimile Signature)
County Clerk

(End of Form of Bond)

(Form of Prepayment Panel)

The following installments of principal (or portions thereof) of this Bond have been prepaid by the County in accordance with the terms of the Ordinance authorizing the issuance of this Bond:

Date of Payment	Amount Prepaid	Signature of Registered Owner
_____	_____	_____
_____	_____	_____
_____	_____	_____

(End of Prepayment Panel)

(Form of Registration Panel Appended to Bond)

MANDATORY REGISTRATION FOR PAYMENT AS TO PRINCIPAL AND INTEREST

The within Bond is registered in the office of the Treasurer of the County, as Registrar, in the name of the last owner listed below; and the principal amount of the Bond and interest thereon shall be payable only to such owner, all in accordance with the Ordinance authorizing the Bond's issuance.

Date of Registration	Name of Owner	Address of Owner	Signature of Registrar
_____, 2020	United States of America	USDA, Rural Development 1390 S. Curry St. Carson City, NV 89703	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

(End of Form of Registration Panel)

(Form of Assignment Panel Appended to Bond)

Provision for Assignment

For value received, the undersigned hereby assigns and transfers unto _____ the within Single Registered Sewer Revenue Bond No. R-1, together with accrued interest thereon, and does hereby irrevocably constitute and appoint _____ attorney in fact to transfer said Bond on the registration records of the County at the office of the County Treasurer, a Registrar with full power of substitution in the premises.

Dated _____ __, 2-__.

_____

In the presence of:
Signature Guaranteed
By

_____

NOTICE: The Signature to this assignment must correspond with the name as it appears upon the Registration Panel of the within Bond in every particular, without any alteration whatsoever.

Name of Transferee:_____
Address of Transferee:_____
Taxpayer Identification number or
Social Security Number(s):_____

(End of Form of Assignment Panel Appended to Bond)

Exhibit A

(Attach Amortization Schedule)

FORM OF PRINCIPAL ADVANCE REQUEST

Date: _____

USDA, Rural Development
1390 S. Curry St.
Carson City, NV 89703

Re: Storey County, Nevada
Sewer Revenue Bond, Series 2020
Dated September 9, 2020

Ladies and Gentlemen:

The undersigned hereby requests that you make a principal advance in the amount of $_____ consisting of the principal amount of $264,000 on the above-referenced Debenture to the order of the undersigned Storey County, Nevada (the "County") on _____ which is at least three business days after the date of this request.

The undersigned hereby certifies and warrants that:

1. The aggregate of principal advances requested from USDA, RD under the above-referenced Bond, including the advance requested in this letter, do not exceed the maximum principal amount of the Bond, of $264,000;

2. All representations and warranties of the County contained in the Debenture and the documents accompanying the Bond, including, without limitation, the Federal Tax Exemption Certificate dated _____, 2020, remain true and correct on this date as if made on this date. No event of default, as defined in the Ordinance adopted by the County Commission on September 1, 2020, has occurred and is continuing. No law has been adopted which would in any way adversely affect the County's authority to obtain and repay this advance. The County covenants to advise you immediately if any such law is adopted; and

3. Please deposit the amount advanced into our account: Routing # _____, Account #_____

Respectfully submitted,

STOREY COUNTY, NEVADA

By:_____
(Must be Chairman, County Clerk/Treasurer or County Comptroller)

Section 23. Period of Facilities' Usefulness. The facilities to be financed with Bond proceeds will be useful for at least 40 years.

Section 24. Bond Preparation; Execution and Delivery. The Chairman and the County Clerk/Treasurer are directed to prepare and execute the Bond. Thereafter, the County Treasurer shall deliver the Bond to RD on behalf of the United States of America as purchaser on receipt of the agreed purchase price.

Section 25. Disposition of Bond Proceeds.

A. Construction Account. Bond proceeds advanced under the Bond from time to time shall be immediately deposited in an account hereby created and designated as the "2020 Construction Account" (the "Construction Account"). Such account shall be maintained in an Insured Bank selected by the County and the United States. Moneys in the Construction Account shall be used solely for the Project, including paying costs of issuance, and shall be withdrawn only upon warrants or checks drawn and signed by the County Comptroller, and such expenditure approved by an official of RD. Warrants or checks shall not be issued until the Board has received engineering approval that such sum is due and owing. The County's share of any liquidated damages and other moneys paid by defaulting contractors or their sureties shall be deposited in the Construction Account to assure completion of the Project. After the Consulting Engineer has certified that work is completed and that all expenses have been paid, the Insured Bank shall transfer all remaining Bond proceeds, including interest, in the Construction Account to the Bond Fund to be used to the extent possible for redeeming Bonds prior to maturity as provided by this Ordinance.

B. Purchaser not Responsible. The Purchaser or any Registered Owner shall not be responsible for the application or disposal of Bond proceeds.

Section 26. Fiscal Year. For the purpose of this Ordinance the System shall be operated upon a fiscal year commencing July 1 in each year and ending on June 30 of the next succeeding year.

Section 27. Income Fund. A special account is hereby created and shall be known as the "Storey County Sewer Revenue Fund," herein sometimes designated as the "Income Fund". So long as the Bond shall be outstanding all Net Revenues derived from the operation of the System shall be deposited into the Income Fund. Any money remaining in the Proceeds Account after the completion of the Project shall be deposited in the Bond Account.

Section 28. Administration of Income Fund. The following payments shall be made from the Income Fund.

A. Operation and Maintenance Expenses. First, there shall be set aside each month such reasonable percentage of the Income Fund as the Board shall determine to be reasonable and necessary for the proper operation and maintenance of the System. Any surplus remaining at the end of the Fiscal Year and not used for Operation and Maintenance Expenses shall be transferred back to the Income Fund.

B. Bond Account Payments. Second, from any moneys remaining in the Income Fund there shall be deposited into a separate account hereby created to be known as the "2020 Sewer Revenue Bond Account" (herein "Bond Account") monthly, commencing on or before the day preceding the payment date, and on or before the day preceding each succeeding payment date thereafter, an amount sufficient, together with any available moneys therein, to pay the next maturing installment of principal and interest on the outstanding Bond until the maturity or prior prepayment of the Bond. The Bond Account is hereby pledged to the repayment of the principal of and interest on the Bond.

C. Reserve Account Payments. There shall be deposited annually into a separate account hereby created to be known as the "2020 Sewer Revenue Bond Reserve Account" (herein "Reserve Account"), commencing on or before the first payment date and continuing monthly on each subsequent payment date, an amount at least equal to 10% of the monthly payment of principal and interest until an amount at least equal to one year of principal and interest payments (the "Minimum Reserve") has been accumulated. After the Minimum Reserve has been accumulated, an amount shall be deposited annually from the Income Fund into the Reserve Account sufficient to maintain said Reserve Account in an amount not less than the Minimum Reserve. The Reserve Account is hereby pledged to the repayment of the principal of and interest on the Bond. The moneys in the Reserve Account shall be maintained as a continuing reserve to be used only for the following with the prior written approval from RD:

1. Securities Requirements. To pay principal and interest on the Bond, if necessary to prevent a default;

2. Emergency Maintenance Costs. To pay the costs of extraordinary and major repairs, renewal, replacements, or maintenance items appertaining to

such System of a type not recurring annually and not defrayed as operation and maintenance expenses;

3. Capital Costs. To pay the cost of extending the System; and

4. Replacement Costs. To pay the costs of replacing short-lived assets of the System which have useful lives significantly less than the term of the Bonds.

D. Termination of Deposits. Payment need not be made into the Bond Account or the Reserve Account if the total amount in both funds at least equals the principal and interest requirements of the then outstanding Bond to maturity. In that case such an amount equal to such principal and interest requirements shall be set aside for that purpose and all other moneys may be used in any lawful manner.

E. Defraying Delinquencies in Bond Account and in Reserve Account. If, for any reason, the County shall fail to pay into the Bond Account the full stipulated amount from Net Revenues, then the difference between that paid and the amount stipulated shall be paid into the Bond Account from the Reserve Account. Money so used shall be replaced in the Reserve Account from the first revenues thereafter received not required to be otherwise applied by this section. If the proceedings authorizing other Parity Securities require the replenishment of moneys in a reserve account, then money shall be replenished in each such reserve fund on a pro rata basis. If, for any reason, the County shall fail to pay into the Reserve Account the full stipulated amount, the difference between the amount paid and the amount stipulated shall in like manner be paid therein from the first revenues thereafter received not required to be otherwise applied by this section. The moneys in the Bond Account shall be used only for the purpose of paying Bond principal and interest. Any moneys in the Reserve Account in excess of the Minimum Reserve (including any investment income) may be withdrawn and used in the same manner as Net Revenues.

F. Payment for Additional Obligations. After making the above payments, any balance in the Income Fund may be used for the payment of principal and interest on additional bonds including reasonable reserves therefor. The lien of additional bonds on Net Revenues shall be on a parity with, or subordinate to, the lien and pledge of the Bonds. Any payments for principal of, interest on and for deposits to reserve funds with respect to Parity Securities shall be made concurrently with those required by this section.

G. Use of Surplus Revenues. After making the above payments, the remaining Net Revenues, if any, may be applied to any other lawful purpose or purposes authorized by the Constitution and laws of the State as the Board may direct.

Section 29. General Administration of Funds and Accounts. The funds and accounts hereof shall be administered as follows:

A. Places and Times of Deposits. The above accounts and funds shall be separately maintained and deposited in one or more bank accounts in an Insured Bank or Banks. Each account shall be continuously secured to the extent required by law and shall be irrevocable and not withdrawable by anyone for any other purpose. Amounts in the account exceeding the applicable federal deposit insurance coverage shall be secured by the Insured Bank in advance in accordance with U.S. Treasury rules and regulations governing the deposit of government moneys. Payments shall be made into the proper account on the payment date when due, except that when the payment date shall be a Sunday or legal holiday, the payment shall be made on the preceding calendar which is not also a Sunday or legal holiday. At least one day prior to any principal and interest payment date, moneys sufficient to pay interest and principal due on such payment date shall be credited at the Paying Agent. Nothing in this Ordinance shall prevent the Board from establishing one bank account for any of the funds and accounts required by this Ordinance.

B. Investment of Money. Any moneys in any fund or account designated in Sections 25, 27 and 28 of this Ordinance may be invested or reinvested by the County in such obligations as may be permitted by the Constitution and laws of the State of Nevada, and applicable federal statutes and regulations.

C. Tax Covenant. The County covenants for the benefit of the Owners of the Bond that it will not take any action or omit to take any action with respect to the Bond, the proceeds thereof, any other funds of the County or any facilities financed with the proceeds of the Bond if such action or omission (i) would cause the interest on the Bond to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Tax Code"), or (ii) would cause interest on the Bond to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code. The foregoing covenant shall remain in full force and effect notwithstanding the payment in full of the Bond until the date on which all obligations of the County in fulfilling the above covenant under the Tax Code have been met.

Section 30. Prior Lien Bonds. The Bond constitutes an irrevocable and prior lien (but not necessarily an exclusive lien) upon the Net Revenues, superior to the lien thereon of any subordinate securities and on a parity with the lien thereon of the Parity Securities.

Section 31. Additional Bonds.

A. Earnings Test. This Ordinance shall not prevent the issuance of additional bonds payable from and constituting a lien upon Net Revenues on a parity with the lien of the Bond. Before any such additional parity bonds are actually issued (and upon receiving the prior written consent of the United States of America for so long as the United States of America is the Registered Owner of the Bond) it must be determined that:

1. The County is not, and has not been in default as to any payments required to be made in Section 28 hereof during the Fiscal Year immediately preceding the issuance of such additional bonds, or if the Bond has not been outstanding for a full Fiscal Year, then for the longest period of time the Bond has been outstanding; and

2. The annual Net Revenues derived from the operation of the System for the Fiscal Year immediately preceding the date of the ordinance authorizing the issuance of any such Parity Securities shall have been sufficient to pay an amount representing 120% of the average annual principal and interest requirements on all bonds then outstanding and constituting a lien upon Net Revenues and the Parity Securities proposed to be issued (excluding reserves). As used in this section "average annual principal and interest requirements" shall be the total principal and interest coming due on the then outstanding Bond and the proposed Parity Securities during the period extending from the date of the proposed Parity Securities to the final principal payment date of the then outstanding Parity Securities or the proposed Parity Securities, whichever is longer, divided by the number of years (including any fraction thereof) computed from the date of the proposed Parity Securities to the last principal payment date of the then outstanding Parity Securities, or the proposed Parity Securities whichever is longer.

The foregoing limitations upon the issuance of Parity Securities shall not apply in the case of the issuance of additional Parity Securities necessary to complete the Project in accordance with the original plans and specifications

therefor as prepared and filed by the Consulting Engineer and upon certificates by such Consulting Engineer that such Parity Securities are required for such Project. Such certificates shall conclusively determine the right of the County to issue such Parity Securities.

B. Certification or Opinion of Revenues. A written certificate or opinion by the County Treasurer, Comptroller or an Independent Accountant that the earnings test set forth in Section 31(A) above has been met shall conclusively determine the right of the County to issue additional Parity Securities. The County Treasurer, Comptroller or an Independent Accountant may utilize the results of any annual audit to the extent it covers the applicable period and may conclusively rely on a Consulting Engineer's Certificate for the amount of any adjustment required under paragraph C of this section. In the event that an annual audit covering the applicable period is unavailable, the County Treasurer or the County Comptroller may utilize unaudited information covering the applicable period in making such written certification.

C. Consideration of Additional Expenses. In determining whether additional Parity Securities may be issued, the County Treasurer, Comptroller or the Independent Accountant shall consider any probable increase (but not reduction) in Operation and Maintenance Expenses. A written certificate by a Consulting Engineer as to the amount of such probable increase may be conclusively relied on by the County and the County Treasurer, Comptroller or the Independent Accountant in determining the right of the County to issue Parity Securities.

D. Subordinate Obligations Permitted. The County may issue bonds or other obligations (upon receiving the prior written consent of the United States of America for so long as the United States of America is the Registered Owner of the Bond) having a lien on Net Revenues subordinate to the lien thereon of the Bond.

E. Superior Obligations Permitted. The County shall not issue any bond or other obligation having a lien on Net Revenues prior and superior to the lien thereon of the Bond unless the County has received the prior written consent of the United States of America.

F. Waiver of Earnings Test. The foregoing earnings test described at Section 31(A) above, may be waived or modified by the written consent of Bondholders representing seventy-five percent (75%) of the then outstanding principal indebtedness on a parity with the proposed Parity Securities.

Section 32. Defeasance. Pursuant to RD Instruction 1942-A, Section 1942.19(h)(10)(iii), so long as the United States of America is the Registered Owner of the Bond, the Bond may not be defeased.

Notwithstanding the foregoing, if the United States of America is no longer the Registered Owner of the Bond, when the principal of and interest on the Bond (the "Bond Requirements") have been duly paid, the pledge and lien and all obligations hereunder shall thereby be discharged as to the Bond and the Bond shall no longer be deemed to be outstanding within the meaning of this Ordinance. There shall be deemed to be such due payment when the County has placed in escrow or in trust with a trust bank located within or without the State (the "Bank"), an amount sufficient (including the known minimum yield available for such purpose from Federal Securities in which such amount wholly or in part may be initially invested) to meet all Bond Requirements of the Bond, as the same become due to the final maturity of the Bond or upon any prepayment date as of which the County shall have exercised or shall have obligated itself to exercise its prior prepayment option by a call of the Bond for payment. The Federal Securities shall become due before the respective times on which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the County and the Bank at the time of the creation of the escrow or trust, or the Federal Securities shall be subject to prepayment at the option of the owners thereof to assure availability as so needed to meet the schedule. For the purpose of this Section, the term "Federal Securities" shall be as defined in NRS 350.522, and shall include only Federal Securities which are not callable for prepayment prior to their maturities except at the option of the holder thereof.

Section 33. Protective Covenants. The County covenants and agrees with each and every Holder that:

A. Use of Bond Proceeds. The Project shall be constructed and acquired and the System improved and extended without delay.

B. Payment of Bonds Herein Authorized. The County will make the Bond principal and interest payments at the place, on the dates, and in the manner specified according to the true intent and meaning thereof.

C. Use Charges. Rates for services rendered by the System shall be reasonable and just, taking into account the cost and value of the System, Operation and Maintenance Expenses, possible delinquencies, proper allowances for depreciation, contingencies, and the

amounts necessary to retire all bonds payable from Net Revenues, and the reserves therefor. There shall be charged against all users, including the State of Nevada and its subdivisions, rates and amounts sufficient to produce revenues to pay the annual Operation and Maintenance Expenses, and 100% of both the principal of and interest on all bonds and other obligations payable from Net Revenues, including reserves. Except as otherwise provided by law, no free service shall be furnished by the System. Any use of the System by the County will be paid for from the County's general fund at the reasonable value of the use so made. Income so derived from the County shall be treated in the same manner as any other System income.

D. Levy of Charges. Prior to the delivery of the Bonds, the County will establish, levy and maintain the rates and charges which are required to meet the provisions of paragraph C of this Section. No reduction in any initial sewer rate schedule may be made unless:

1. The County has complied with Section 28 for at least two Fiscal Years immediately preceding such reduction.

2. The audits for the full two Fiscal Years immediately preceding such reduction disclose that the estimated revenues resulting from the proposed rate schedule will be sufficient to meet the requirements of paragraph C of this section.

3. If the United States of America then owns the Bonds, the State Director of the RD (or equivalent RD officer) approves in writing the proposed reduction, provided that RD on behalf of the United States of America shall have first been furnished with a written request signed by the Treasurer or Comptroller requesting and justifying such reduction. This Section 33D(3) applies only if the United States owns the Bonds on the date of the reduction.

E. Efficient Operation. The County shall make such improvements and repairs to the System as may be necessary to insure its economical and efficient operation and its ability to meet demands for service.

F. Records. Separate records will be kept showing complete and correct entries of all transactions relating to the System. Such records shall include monthly entries showing:

1. The number of System customers;

2. The Gross Revenues received and Operation and Maintenance Expenses;

3. A detailed statement of expenses; and

4. Such other items specified by any form furnished by the United States of America or RD including an annual report to be provided to RD specifying the amount of sewer service purchased, total number of System customers and the list of names, addresses and telephone numbers of the current members of the Board of the County.

Before each Fiscal Year the Board will cause an operating budget to be prepared.

G. Right to Inspect. Any Registered Owner, or their duly authorized agents, shall have the right at all reasonable times to inspect the System, and all records, accounts and data relating thereto.

H. Audits and Budgets. As long as the United States of America is the Registered Owner of the Bonds, the County agrees that it will, within 90 days following the close of each Fiscal Year when available, furnish an audit made by an Independent Accountant to RD (at the State Office of RD). Each such audit, in addition to matters thought proper by the accountant, shall include:

1. A statement for the Fiscal Year just closed, of the income and expenditures of the System, including Gross Revenues, Net Revenues, the amount of any capital expenditures and profit or loss;

2. A balance sheet as of the end of such Fiscal Year, including all funds and accounts created by proceedings authorizing bonds payable from System revenues;

3. The accountant's comment regarding the County's methods of operation and accounting practices;

4. A list of the insurance policies in force, setting out the amount of each policy, the risks covered, the name of the insurer, and the expiration date;

5. A recapitulation of each fund or account created by the various proceedings showing deposits and withdrawals for said Fiscal Year.

After the beginning of each new Fiscal Year, the County shall furnish an operating budget showing the planned budget for the ensuing year and a copy of the minutes of the meeting of the Board at which such budget was approved. Along with the operating budget, the County shall provide a letter showing the name, address and term of office for each member of the Board, the number of residential users and

the number of commercial users of the System as of the end of the Fiscal Year. The County will furnish the designated United States representative with quarterly statements of income and expense on forms furnished by the United States of America. The County will furnish a copy of each audit, budget, quarterly statement and written instrument to the United States of America.

I. Billing Procedure and Discontinuance of Service. All bills shall be sent out on a regularly established manner each month in advance or after service is rendered. Bills shall be due within an established number of days from the bill date. Bills for sewer use and sewer service may be sent out in combination with bills for another utility (e.g., water bills, solid waste bills or refuse collection bills) as long as such amounts are separately stated. If bills are not paid 30 days after such due date they shall be collected in any lawful manner.

J. Use of Bond and Reserve Accounts. The Bond Account and the Reserve Account shall be used solely and only, and said funds are hereby pledged, for the purposes set forth above.

K. Charges and Liens upon System. The County will pay all taxes and governmental charges lawfully levied in respect of the System when due. The County will comply with all valid requirements of any governmental authority relative to the System. It shall not create or permit to be created any lien or charge upon the System or the revenues except as permitted herein. The County will satisfy all claims and demands within 60 days after the same shall accrue which might by law become a lien upon the System or upon the revenues unless the validity thereof is being contested in good faith by appropriate legal proceedings.

L. Construction Contract and Bond. The County will require each person, firm or corporation with whom it may contract for labor or materials to furnish a performance and payment bond in the full amount of any contract. Any such contract will meet the reasonable requirements of the United States of America and RD which are not inconsistent with State law.

M. Insurance. Fire and extended coverage insurance will be obtained and maintained on the facilities above ground, including County-owned contents, equipment and machinery, the amounts of which will be determined with the assistance of the Project Engineer. The proceeds of such insurance shall be used to restore the property lost or damaged and any remainder (or if such lost or damaged property is no longer required for the System the entire proceeds) will be distributed as Net Revenues. The County will carry workmen's compensation

insurance on all full-time employees and will maintain public liability insurance (including liability and property damage insurance on County-owned or operated vehicles) if authorized by State law as interpreted by the legal counsel for the County.

N. Competing System or Works. The County shall not grant any franchise or license to a competing System within the County's Gold Hill and Virginia City service areas, or permit any person or organization to sell sewer service within the County's Gold Hill and Virginia City service areas, but this covenant shall not require the County to take any action which, in the opinion of the County's legal counsel, may violate antitrust laws and shall not prevent the County from permitting general improvement districts within the County from providing sewer service in the County.

O. Alienating System. The County will not sell, lease, mortgage, pledge, or otherwise alienate the System, or any part thereof, except any portion which shall have been replaced by other property of at least equal value or which shall cease to be necessary for the efficient operation of the System. In the event of any sale as aforesaid, the proceeds of such sale shall be distributed as Net Revenues.

P. Extension of Interest Payments. The County will not extend or be a party to the extension of the time for paying any claim for interest. Any installment of interest so extended shall not be entitled in case of default hereunder to the benefit or security of this Ordinance except subject to the prior payment in full of the principal of all bonds and interest which has not been extended.

Q. Management of the System. If an "event of default" shall occur or if the Net Revenues in any Fiscal Year fail to equal principal, interest and reserves for all bonds payable from Net Revenues, the County shall retain a Consulting Engineer to assist in the management of the System so long as such default continues or the Net Revenues are less than the amount designated.

R. Fidelity Bonds. The persons, being responsible for receiving income and maintaining the accounts of the System, shall be bonded in a blanket position fidelity bond in a penal sum at least equal to the maximum amount on hand at any one time (exclusive of Bond proceeds), which fidelity bond may be provided on Form RD 440-24 "Position Fidelity Schedule Bond" or other equivalent United States forms and shall designate the United States of America as a co-obligee.

S. The County's Existence.

1. The County will maintain its "corporate" identity and existence so long as any of principal of the Bond remains outstanding (and the United States of America is a Registered Owner of any of such Bond), unless another political subdivision by operation of law succeeds to the liabilities and rights of the County without adversely affecting to any substantial degree the privileges and rights of any Registered Owner.

2. The County agrees to give written notice to the RD City or State Office, if the United States of America is a Registered Owner of any principal of the Bond, at least 30 days prior to any contemplated merger, consolidation or dissolution of the County.

Section 34. Events of Default. It is an "event of default" if:

A. Nonpayment of Principal. Payment of any principal of the Bonds is not made when due or upon prior prepayment.

B. Nonpayment of Interest. Payment of interest is not made when due.

C. Incapable to Perform. The County is not capable of fulfilling its obligations hereunder.

D. Default of Any Provision. The County defaults in the punctual performance of its covenants hereunder for 60 days after written notice shall have been given by the Owners of 25% of the outstanding principal of the Bonds.

Section 35. Remedies on Default. Upon the happening of any event of default, the Registered Owners or Holders of not less than 25% in principal amount of the outstanding Bond, or a trustee therefor, may protect and enforce the rights of any Bondholder or Owner by proper legal or equitable remedy deemed most effectual including mandamus, specific performance of any covenant, the appointment of a receiver (the consent to such appointment being hereby granted), injunctive relief, or requiring the governing body of the County to act as if it were the trustee of an expressed trust, or any combination of such remedies. All proceedings shall be maintained for the equal benefit of all Registered Owners and holders of the Bonds. Any receiver appointed to protect the rights of Bondholders may take possession and operate and maintain the System in the same manner as the County itself might do. The failure of any Registered Owner or Holder to proceed does not relieve the County or any person of any liability for failure to perform

any duty hereunder. The foregoing rights are in addition to any other right and the exercise of any right by any Bondholder or Owner shall not be deemed a waiver of any other right.

Section 36. Duties upon Default. Upon the happening of any event of default, the County will perform all proper acts to protect and preserve the security created for the prompt payment of the principal of and interest on the Bonds. The Owners or Holders of not less than 25% in principal amount of the outstanding Bonds after written demand, may proceed to protect and enforce the rights provided by this section.

Section 37. Prior Charge Upon Lower Rates. If any commission or authority lawfully prescribes a lower schedule of rates than that contemplated by this Ordinance, then the payment of principal and interest on the Bonds, and any Parity Securities, shall constitute a prior lien and charge on revenues.

Section 38. Refinancing. If it shall appear to RD, during the time the United States owns any of the Bonds, that the County can refinance the amount of the Bonds then outstanding, in whole or in part, by obtaining a loan for such purposes from responsible cooperative or private credit sources, at reasonable rates and terms for loans for similar purposes and periods of time, the County agrees (upon the request of RD), within the limitations of its then existing powers, (and subject to any contractual limitations contained herein concerning the payment of the Bonds and its prepayment), to apply for and to accept such loan, with conditions acceptable to the County, in sufficient amount to repay the United States and agrees to take such action as may be required in connection with such loan. Any such refinancing shall be accomplished according to applicable statutes of the State.

Section 39. Bond Discharge. When the Bonds have been paid, the pledge and lien and all obligations hereunder shall be discharged and the Bonds shall no longer be deemed to be outstanding.

Section 40. Amendment of Ordinance. This Ordinance may be amended, without receipt by the County of any additional consideration, but with the written consent of the Owners of seventy-five percent (75%) of the principal of the Bonds then outstanding (not including any portion of the Bonds which may be held for the account of the County); but no ordinance adopted without the written consent of the Registered Owners of all of the outstanding Bonds shall have the effect of permitting:

1. An extension of any installment payment of the Bonds; or

2. A reduction in the principal amount or interest rate of the Bonds; or

3. The creation of a lien upon revenue ranking prior to the lien or pledge created by this Ordinance; or

4. A reduction of the principal amount of the Bonds required for consent to such amendatory ordinance; or

5. The modification of or otherwise affecting the rights of the Holders of less than all of the outstanding Bonds.

Section 41. Delegated Powers. The officers of the County be, and they hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Ordinance, including, without limitation, the execution of such certificates and forms electronically or otherwise as may be reasonably required by the United States of America or RD, relating, inter alia, to the signing of the Bonds, the tenure and identity of the officials of the Board and of the County, the delivery of the Bonds and the receipt of the Bond purchase price, and, if it is in accordance with fact, the absence of litigation, pending or threatened, affecting the validity thereof, and the absence and existence of factors affecting the exemption of interest on the Bonds from federal income taxation, the assembly and dissemination of financial and other information concerning the County, the Bonds, and the sale and issuance of the Bonds pursuant to the provisions of this Ordinance and to any instrument supplemental thereto.

Section 42. Prior Contracts. If any provision herein is inconsistent with any provision in any existing contract pertaining to the County so as to affect prejudicially and materially the rights and privileges thereunder, so long as such contract shall remain viable and in effect such provision therein shall control such inconsistent provision herein and the latter provision shall be subject and subordinate to such provision in such existing contract.

Section 43. Police Power. Nothing in this Ordinance prohibits or otherwise limits or inhibits the reasonable exercise in the future by the State and its governmental bodies of the police powers and powers of taxation inherent in the sovereignty of the State or the exercise by the United States of the powers delegated to it by the Federal Constitution. The County cannot contract away such powers nor limit or inhibit by contract the proper exercise thereof, and this Ordinance does not purport to do so.

Section 44. Ordinance Irrepealable. After the Bonds are issued, this Ordinance shall constitute an irrevocable contract between the County and the owner of the Bond and this

Ordinance, if the Bond is in fact issued, shall be and shall remain irrepealable until the Bonds, as to all Bond Requirements shall be fully paid, canceled and discharged as herein provided.

Section 45. Repealer Clause. All bylaws, orders, ordinances and resolutions, or parts thereof, inconsistent with this Ordinance are hereby repealed. This repealer shall not be construed to revive any bylaw, order, ordinance or resolution, or part thereof, heretofore repealed.

Section 46. Publication of Proposed Ordinance. The Board has expressed in the preambles to this Ordinance that it pertains to the sale, issuance, or payment of a revenue bond, and that this instrument may accordingly be adopted as if an emergency now exists. This Ordinance shall become effective after its publication at least twice by its title only, together with the names of the Commissioners voting for or against its passage and a statement that typewritten copies of this Ordinance are available for inspection by interested parties at the office of the County Clerk, such publication to be made in a newspaper or newspapers of general circulation in the County at least once a week for a period of two weeks, and such publication to be in substantially the following form:

(Form of Publication)

BILL NO.
ORDINANCE NO.

AN ORDINANCE AUTHORIZING THE ISSUANCE OF THE STOREY COUNTY, NEVADA, SEWER REVENUE BOND, SERIES 2020 IN THE PRINCIPAL AMOUNT OF $264,000 TO PAY IN PART THE COST TO FINANCE A SEWERAGE PROJECT; PROVIDING THE FORMS, TERMS AND CONDITIONS OF THE BOND, THE SECURITY AND THE SALE THEREOF; PROVIDING OTHER MATTERS RELATING THERETO AND THE EFFECTIVE DATE HEREOF.

PUBLIC NOTICE IS HEREBY GIVEN that typewritten copies of the above-numbered and entitled ordinance are available for inspection by all interested parties at the office of the County Clerk of Storey County, Nevada; and that such ordinance was proposed on September 1, 2020, and was passed at the meeting held on September 1, 2020 by the following vote of the Board:

Those Voting Aye:

Those Voting Nay: _____
_____

Those Absent: _____
_____

This Ordinance shall be in full force and effect from and after the 11th day of the month of September of the year 2020, i.e., the date of the second publication of such Ordinance by its title only.

IN WITNESS WHEREOF, the Board of County Commissioners of Storey County, Nevada, has caused this instrument to be published by title only.

DATED on _____, 2020.

/s/_____
Chairman, Board of
County Commissioners
Storey County, Nevada

(SEAL)

Attest:

/s/_____
County Clerk
Storey County, Nevada

(END OF FORM OF PUBLICATION OF ADOPTION OF ORDINANCE)

Section 47. Severability Clause. If any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall in no way affect any of the remaining provisions of this Ordinance.

Proposed on the 18th day of August 2020.

Proposed by Commissioner _____.

Passed the 18th day of August 2020.

Those Voting Aye:

Those Voting Nay: _____

Absent: _____

_____
Chairman
Board of County Commissioners
Storey County, Nevada

(SEAL)

Attest:

_____
County Clerk

This Ordinance shall be in full force and effect from and after the 11th day of the month of September of the year 2020, i.e., the date of the second publication of such Ordinance by its title only.

STATE OF NEVADA)
) ss
COUNTY OF STOREY)

I am the duly chosen and qualified County Clerk of Storey County (herein "County"), Nevada, and in the performance of my duties as Clerk do hereby certify:

1. The foregoing pages are a true, correct and compared copy of the original ordinance proposed and adopted at the regular meeting of the Board of County Commissioners (the "Board") on September 1, 2020 and the original of such ordinance has been approved and authenticated by the signature of the Chairman of the Board and myself as Clerk, and has been recorded in the minutes of the Board kept for that purpose in my office, which record has been duly signed by such officers and properly sealed.

2. The foregoing ordinance was first proposed and adopted at a regular meeting of the Board on September 1, 2020. The members of the Board were present at the September 1, 2020 meeting and voted upon the adoption of the ordinance as set forth in the ordinance.

3. All members of the Board were given due and proper notice of such meeting.

4. Public notice of such meeting was given and such meeting was held and conducted in full compliance with the provisions of NRS 241.020 and the Nevada Governor's Directive 006, as amended. A copy of the notice of meeting (attached as Exhibit A) and excepts from the agenda for the meeting relating to the Ordinance, as posted no later than 9:00 a.m. on the third working day prior to the meeting, on the County's website, on the State of Nevada's official website and if required by the NRS 241.020 and the Nevada Governor's Directive 006, as amended, at least three (3) other separate, prominent places within the jurisdiction of the Board.

5. Prior to 9:00 a.m. at least 3 working days before such meeting, such notice was given to each person, if any, who has requested notice of the meetings of the Board in compliance with NRS 241.020(3)(b) by United States Mail, or if feasible and agreed to by the requestor, by electronic mail.

IN WITNESS WHEREOF, I have hereunto set my hand September 1, 2020.

_____
County Clerk

EXHIBIT A

(Attach Notice of September 1, 2020 Meeting)

EXHIBIT B

(Attach Affidavit of Publication Twice by Title)

Storey County Board of County Commissioners
Agenda Action Report

Meeting date: September 1, 2020 **Estimate of time required:** 10 Min

Agenda: Consent [ ] Regular agenda [X] Public hearing required [ ]

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1. Title: Discussion/Possible Action: Consideration and possible adoption of Ordinance 20-311 authorizing the issuance by Storey County, Nevada of its Water Revenue Bonds, Series 2020A, Series 2020B and Series 2020C in the combined maximum principal amount of $3,171,000 in order to finance the Five Mile waterline and Hillside tank projects and providing other matters relating thereto.

2. Recommended motion: I _(commissioner)_ Move to approve the adoption of Ordinance 20-311 authorizing the issuance of the Storey County, Nevada, water revenue bonds, series 2020A, 2020B, and 2020C in the combined maximum principal amount of $3,171,000 to pay in part the cost to finance a water project; providing the forms, terms and conditions of the bonds, the security and the sale thereof; providing other matters relating thereto and the effective date thereof.

3. **Prepared by:** Lara Mather
Department: Community Relations **Telephone:** 847-0986

4. **Staff summary:** See attached.

5. **Supporting materials:** Bond Ordinance 48992318v6

6. **Fiscal impact:** Funds Available: Fund:

7. **Legal review required:**
____ District Attorney

8. **Reviewed by**:
____ Department Head Department Name: Commissioner's Office

____ County Manager Other agency review: _____

9. **Board action:**
[ ] Approved [ ] Approved with Modifications
[ ] Denied [ ] Continued

Agenda Item No. 10

Agenda Item No. _____

Staff Summary:

Storey County received a letter of conditions dated December 22, 2016, as amended on July 10, 2020 from USDA, Rural Development in connection with the financing for the Storey County 5 Mile Water Line Project and Hillside Tank Replacement. The Letter of Conditions obligates a loan #09 from USDA, RD in the amount of $2,126,000, loan #10 from USDA, RD in the amount of $701,000, a loan #14 from USDA, RD in the amount of $344,000 and a grant from USDA, RD in the amount of $737,000 for a total project cost of $3,908,000. The Board of County Commissioners authorized an interfund loan by Resolution 18-484 adopted on March 20, 2018 from the General Fund to the Water System Fund in the amount of $2,126,000. The County has expended $2,216,000 from the General Fund on the project and the proceeds of loan #09 in the amount of $2,126,000 will repay the interfund loan from the General Fund. The Letter of Conditions obligated the loan at an interest rate not to exceed 1.125%. USDA, RD has informed the County that if the loan closes by September 30, 2020, the interest rate will be 1.125%. The County is anticipating a loan closing of September 17, 2020.

The adoption of the ordinance in a single reading, as if an emergency exists, is authorized by NRS 350.579. The bonds will be sold to USDA, RD to generate the loan funds and secure repayment of the loan. The loans will not be general obligations of the County but will be repaid from the revenues of the water system.

Summary - An ordinance authorizing the issuance by Storey County, Nevada of its Water Revenue Bond, Series 2020A, Series 2020B and Series 2020C in the combined maximum principal amount of $3,171,000 and providing other matters relating thereto.

BILL NO.
ORDINANCE NO. 20-

AN ORDINANCE AUTHORIZING THE ISSUANCE OF THE STOREY COUNTY, NEVADA, WATER REVENUE BONDS, SERIES 2020A, 2020B AND 2020C IN THE COMBINED MAXIMUM PRINCIPAL AMOUNT OF $3,171,000 TO PAY IN PART THE COST TO FINANCE A WATER PROJECT; PROVIDING THE FORMS, TERMS AND CONDITIONS OF THE BOND, THE SECURITY AND THE SALE THEREOF; PROVIDING OTHER MATTERS RELATING THERETO AND THE EFFECTIVE DATE HEREOF.

WHEREAS, Storey County, Nevada (the "County" and the "State," respectively), is a political subdivision of the State, a body corporate and organized and operating as a County under the statutes of the State; and

WHEREAS, pursuant to Nevada Revised Statutes ("NRS") Sections 244A.011 through 244A.065, inclusive (the "Project Act") and NRS Sections 350.350 through 350.490, inclusive (the "Water Act"), cited in NRS Section 350.350 as the Water and Sewer Revenue Bond Law, the Board of County Commissioners of the County (the "Board" or the "Governing Body") is authorized and empowered to acquire, improve, equip, operate and maintain, within the County, a water project as defined in NRS 244A.056, including the Storey County 5 mile water line project, Hillside water storage tank replacement and repaying an interfund loan for a water project (the "Project"); and

WHEREAS, pursuant to the Project Act and the Water Act, the County is authorized and empowered to issue the County's water revenue bonds to defray the cost of the Project in part, in the manner and on the conditions provided in the Project Act, the Local Government Securities Law, cited as NRS 350.500 through 350.720, inclusive, and all laws amendatory thereof (the "Bond Act") and the Water Act; and

WHEREAS, for the purpose of defraying a part of the cost of the Project, the Board deems it necessary to issue the Storey County, Nevada, Water Revenue Bonds, Series 2020A, Series 2020B and Series 2020C in the combined maximum principal amount of $3,171,000 (the "Bonds" or the "Bond") payable solely from the Net Revenues (as defined herein); and

WHEREAS, the payment of the principal of and interest on the Bond will be secured by the net revenues of the County's municipal water system (the "System"); and

WHEREAS, the County has not pledged the revenues derived and to be derived from the operation of the System for the prepayment of any securities payable from such revenues, or otherwise, with the result that such revenues may be pledged lawfully and irrevocably to secure the payment of the Bond; and

WHEREAS, the United States of America, Department of Agriculture, acting by and through Rural Development ("RD"), pursuant to a letter of conditions dated December 22, 2016, as amended, and by an approved request for obligation of funds, has agreed to purchase all of the Bonds herein authorized at par and at an interest rate of 1.125% per annum (provided, however, that the County may elect to take the RD rate available at the date of issuance of the Bond, if lower) (the "Interest Rate"); and

WHEREAS, the Board has determined and does hereby determine and declare that the proposal for the purchase at private sale pursuant to NRS 350.616 of the single Bond by RD, for a price consisting of the maximum principal amount of such Bond, at the Interest Rate, and otherwise maturing, being secured and otherwise being issued as herein provided, constitutes the best proposal for the Bond and is to the best advantage of the County; and

WHEREAS, the effective Interest Rate on the Bond herein authorized or such lower elected rate, does not exceed by more than 3% the "Index of Revenue Bonds" which was most recently published before a negotiated offer was accepted for the Bond; and

WHEREAS, the Board hereby determines that it is necessary and advisable that the County incur a bonded indebtedness by issuing the Bonds pursuant to the Project Act, the Water Act and the Bond Act; and

WHEREAS, the Board has determined and hereby declares that each of the limitations and other conditions to the issuance of the Bonds in the Bond Act, the Project Act, the Water Act and in any other relevant act of the State or the federal government has been met, and pursuant to NRS 350.708 of the Bond Act such determination of the Board that the limitations in the Bond Act have been met shall be conclusive in the absence of fraud or arbitrary and gross abuse of discretion; and

WHEREAS, the Board has determined and does hereby declare:

(1) This Ordinance pertains to the sale, issuance and payment of the Bond;

(2) Such declaration shall be conclusive in the absence of fraud or gross abuse of discretion in accordance with the provisions of Section 350.579 of the Bond Act; and

(3) This Ordinance may accordingly be adopted as if an emergency exists and may become effective at any time when an emergency ordinance of the County may go into effect.

NOW, THEREFORE, THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF STOREY DO ORDAIN:

Section 1. This ordinance shall be known and may be cited as the "2020 Water Revenue Bond Ordinance" (herein the "Ordinance").

Section 2. Definitions. The terms defined in this section, except where the context requires otherwise, shall have the following meanings in this Ordinance:

"Bond Act" or "Act" means the Local Government Securities Law, cited as NRS 350.500 through 350.720, inclusive, and all laws amendatory thereof.

"Bond Account" means the "2020 Water Revenue Bond Account" created in section 28 of this Ordinance.

"Bonds" means the 2020A Bond, the 2020B Bond and the 2020C Bond in the combined maximum principal amount of $3,171,000.

"2020A Bond" means the securities herein authorized designated as the Storey County, Nevada, Water Revenue Bond, Series 2020A in the combined maximum principal amount of $2,126,000.

"2020B Bond" means the securities herein authorized designated as the Storey County, Nevada, Water Revenue Bond, Series 2020B in the combined maximum principal amount of $701,000.

"2020C Bond" means the securities herein authorized designated as the Storey County, Nevada, Water Revenue Bond, Series 2020C in the combined maximum principal amount of $344,000.

"Consulting Engineer" or "Project Engineer" means any qualified registered or licensed professional engineer practicing under the laws of the State of Nevada.

"County" means Storey County, Nevada.

"Fiscal Year" means the twelve months commencing July 1 of any year and ending June 30 of the next succeeding year.

"Gross Revenues" means all income and revenue derived by the County from any rates, fees, tolls, connection charges, stand-by charges and charges for availability of water services furnished by, or the use of, the municipal water system as the same may at any time exist to serve customers within or outside the County limits, whether resulting from improvements, extensions, or otherwise.

"Holder," "Owner" or "Registered Owner" means a person (including RD) in possession and the apparent owner of the Bonds.

"Independent Accountant" means any certified public accountant practicing under the laws of the State of Nevada who is independent and not an officer or employee of the municipality.

"Insured Bank" means a bank defined in NRS 350.512 and qualified to accept public deposits under state law which is a member of the Federal Deposit Insurance Corporation.

"Net Revenues" means the Gross Revenues less the Operation and Maintenance Expenses. The designated term indicates sources of revenues and does not necessarily indicate all or any portion or other part of such revenues in the absence of further qualification.

"Operation and Maintenance Expenses" means all reasonable and necessary current expenses of the County, paid or accrued, for operating, maintaining and repairing the System, as defined in NRS 350.542 including legal and overhead expenses of the County directly related to the administration of the System, insurance premiums, audits, charges of depository banks and paying

agents, professional services, salaries and administrative expenses, labor, and the cost of materials and supplies for current operation, but excluding any allowance for depreciation, any costs of improvements to the System, any accumulation of reserves for major capital replacements (other than normal repairs) or for the operation, maintenance or repair of the System, any allowance for the prepayment of any securities of the County, or any other ground of legal liability not based on contract, in accordance with NRS 350.544.

"Parity Securities" means any additional bonds, securities or other obligations issued hereafter with a lien on the Net Revenues on a parity with the lien thereon of the outstanding Bonds.

"Paying Agent" means the office of the Treasurer of the County.

"Project" means the cost to acquire, improve and equip, within the County, a water project as defined in NRS 244A.056, including the Storey County 5 mile water line project, Hillside water storage tank replacement and repaying an interfund loan for a water project, to be financed in part by the Bonds and described in the preambles hereto.

"Project Act" means NRS 244A.011 through 244A.065, inclusive, and all laws amendatory thereof.

"Purchaser" means the United States of America, acting by and through RD.

"RD" means the United States of America Department of Agriculture, Rural Development or any successor to Rural Development.

"Registrar" means the office of the County Treasurer.

"Reserve Account" means the "2020 Water Revenue Bond Reserve Account" created in section 28 of this Ordinance.

"System" means all of the County's municipal water system, and its water facilities and properties now owned or hereafter acquired, whether situated within or without the County boundaries.

"Water Act" means NRS 350.350 through 350.490, inclusive, and all laws amendatory thereof.

Section 3. Authority for This Ordinance. This Ordinance is adopted pursuant to the Project Act, the Water Act and the Bond Act.

Section 4. Life of the Project. The Board has determined and does hereby declare that the estimated life or estimated period of usefulness of the Project financed by the Bonds is not less than 40 years from the date of the Bonds; and the Bonds shall mature at such times not exceeding such estimated life or estimated period of usefulness of the Project.

Section 5. Acceptance of Purchase Proposal. The proposal submitted by RD for the purchase of the Bonds in the combined maximum principal amount of $3,171,000 at the Interest Rate which was received by the County at the private sale of the Bonds be, and the same hereby is, accepted.

Section 6. Ratification. All consistent action taken previously by the Board and the County officers directed toward the Project and toward the issuance of the Bonds for that purpose is ratified, approved and confirmed.

Section 7. Authorization of Project. A cost of the Project in an amount of at least $3,171,000 will be financed from Bond proceeds.

Section 8. Necessity of Project and Bonds. It is necessary and in the best interests of the County and its inhabitants that the County effect the Project and defray in part the cost thereof by issuing the Bonds therefor.

Section 9. Ordinance to Constitute Contract. In consideration of the purchase and the acceptance of the Bonds by RD on behalf of the United States of America and by those who shall own them from time to time, this Ordinance shall be deemed to be and shall constitute a contract between the County and the Registered Owner.

Section 10. Bonds Equally Secured. The covenants and agreements herein set forth to be performed on behalf of the County shall be for the equal benefit, protection and security of the Owners of any and all of the Bonds, all of which, regardless of the time or times of their issue or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds of this issue over any other thereof, except as otherwise expressly provided herein.

Section 11. Special Obligations. The Bonds shall be payable and collectible (except as herein otherwise provided) solely from the Net Revenues, which revenues are so pledged; the Holder or Registered Owner may not look to any general or other fund for the payment of the principal of, or interest on the Bonds, except the Bond Account and the Reserve Account which are

hereby pledged therefor. The Bonds shall not constitute an indebtedness or a debt within the meaning of any constitutional or statutory provision or limitation and the Bonds shall not be considered or held to be general obligations of the County but shall constitute its special obligations. The County does not pledge its full faith and credit for the payment of the Bonds.

Section 12. Character of Agreement. None of the covenants, agreements, representations and warranties contained herein or in the Bonds, in the absence of any breach thereof, shall ever impose or shall be construed as imposing any liability, obligation or charge against the County (except the special funds pledged therefor) or its general credit, payable out of its general fund or out of any funds derived from taxation.

Section 13. Authorization of Bonds. For the purpose of providing funds to pay a portion of the cost of the Project, the County shall issue the 2020A Bond in the maximum principal amount of $2,126,000, the 2020B Bond in the maximum principal amount of $701,000 and the 2020C Bond in the maximum principal amount of $344,000 or such lesser amount as shall be advanced under each Bond. The Bonds shall be issued and be payable both as to principal and interest, solely from the Net Revenues of the County's System, and the County shall pledge irrevocably such Net Revenues to the payment of the Bonds and the interest thereon, the proceeds thereof to be used solely for the aforesaid purpose, pursuant to the Project Act, the Water Act and the Bond Act. RD has requested, and the County has agreed, that the obligation of the County hereunder shall be represented in the form of a single registered 2020A Bond, 2020B Bond and 2020C Bond. The Bonds shall be in the form substantially as set forth in section 22 hereof.

Section 14. Bond Details. The Bonds shall be issued in fully registered form, i.e., registered as to both principal and interest, in compliance with Section 149 of the Tax Code, and the regulations of the Secretary of the Treasury thereunder. The Bonds shall be dated initially as of the date of delivery thereof to RD. The Bonds shall bear interest at the Interest Rate on the unpaid balance advanced under each Bonds until the principal advanced under each Bond is paid in full. The County's indebtedness as represented by the 2020A Bond shall be $2,126,000, by the 2020B Bond shall be $701,000 and by the 2020C Bond shall be $344,000, or in each case such lesser amount as shall represent the aggregate principal amount advanced to the County as shown on the principal advance panel attached to each Bond (the "Principal Advance Panel") and the registration

records maintained by the Registrar. Interest accrual shall be calculated based on a 365 day year and actual days elapsed. The interest payments on the Bonds shall be made by the County monthly on the anniversary of the date of delivery of each Bonds commencing one month after delivery of the Bonds. The amortized principal payments on each Bond shall be made by the County in installments monthly on the anniversary of the date of delivery of the Bond commencing one month after delivery of the Bonds and continuing monthly until the principal of each Bond is paid in full. The principal and interest payments shall be fully amortized so as to produce substantially equal monthly payments (of principal and interest) from payment date to payment date and which shall be in an amount sufficient to fully pay the total principal of and interest on each Bond within 40 years of the date thereof. Except as otherwise provided herein, every payment on the Bonds shall be applied first to interest computed to the date of payment and then to principal.

Principal on the Bonds shall be advanced by RD upon the written request of the County. The County Chairman, Treasurer and Comptroller are each hereby authorized to request principal advances under the Bonds. At the time of such principal advance, the Registrar shall make a notation of the date and amount of such principal advance on the Principal Advance Panel and the registration records maintained by the Registrar. The Registrar shall provide such Principal Advance Panel to the Registered Owner to be included with each Bond. The registration records maintained by the Registrar shall be conclusive evidence of the amounts and dates of any principal advances.

The Interest Rate submitted by the RD, in accordance with their regulations, as of the date of loan approval, was 1.125% per annum, for each Bond which may or may not be the lower rate charged by the RD at the time of loan closing. Should the Interest Rate at the date of delivery of the Bonds be lower than the Interest Rate in effect at the time of the loan approval, the Board directs the County Treasurer or designee to make a written request to the RD for the lower rate, and the Board hereby authorizes the Chairman and the County Treasurer to execute the Bonds providing for the lower rate of interest. If any installment of principal is not paid when due, then in addition to installments thereafter becoming due, the County shall pay interest on the unpaid balance of the total principal amount from the due date of the delinquent installment to the date of payment of the delinquent installment, provided, that interest accruing by reason of any such delinquency shall not include any interest applicable to such delinquency period in any installment subsequently paid, and

shall in no event cause the total interest payable on the applicable Bond to exceed the rate of 1.125% per annum or such lower rate of interest as set forth in the applicable Bond, on the unpaid balance of the total principal amount. The final installment on each Bond shall be payable in lawful money of the United States of America without deduction for exchange or collection charges at the office of the Treasurer of the County. The final installment of principal and interest due on the Bonds is payable only upon surrender of the applicable Bond to the County. If, upon presentation at or after maturity, payment of each Bond is not made as herein provided, interest thereon shall continue on such Bond for which payment was not made at the same rate per annum until the principal of such Bond is paid in full.

So long as the United States is the Registered Owner of the Bond, payment of installments of principal and interest shall be made at the appropriate United States office, currently designated as 1390 S. Curry St., Carson City, Nevada 89703, or at such other address as the United States may designate in writing. During the time any registered assign is the Registered Owner of the Bond, payment shall be made at the address shown on the registration record kept by the Treasurer of the County, being both the registrar (the "Registrar") and paying agent (the "Paying Agent") for the Bond. The Bond must be registered by any Registered Owner, and may be assigned in the manner and with the effect set forth in the provisions for registration contained in the form of bond hereinafter set forth, and as herein further provided. The principal and interest of the single registered Bond shall be payable only to, or upon the order of, the Registered Owner or his legal representative. Upon issuance to the United States, the Bond shall be registered in the name of the "United States of America".

The County hereby reserves the right, at its option, to prepay the principal amount outstanding, in whole, or in the manner hereinafter provided, in part, at any time, in inverse order of maturity as directed by the County Treasurer or the Comptroller. Prepayments shall be made on the date, at the place, and in the manner provided herein for making regularly scheduled installments, and partial prepayments shall be in the amount of that portion of one or more installments which would be allocable to principal. No prepayment of an installment shall extend or postpone the due date of any subsequent installment. Any prepayments shall be in the amount of principal being prepaid, together with accrued interest thereon to the date of prepayment, and shall be made without

penalty or without additional interest charges. At the time of such principal prepayment, the Registrar shall make a notation of the date and amount of such principal prepayment on the registration records maintained by the Registrar. The registration records maintained by the Registrar shall be conclusive evidence of the amounts and dates of any principal prepayments.

Section 15. Prepayment Notice. Section 15. Unless waived by the Registered Owner, notice of prepayment shall be given by the County Treasurer or the Comptroller by electronic mail or otherwise, not less than 30 days prior to the date fixed for prepayment. A copy of the notice shall be sent at least 30 days prior to the date fixed for prepayment to any Registered Owner whose name and address appear on the registration records maintained by the Registrar. So long as any Bond is owned by the United States of America, notice shall be mailed electronically or otherwise to the United States of America at least 30 days prior to the date fixed for prepayment at such address as the United States of America or RD may designate in writing. The notice shall identify the installments of principal to be prepaid, specify the date of prepayment, and state that on such date the principal amount thereof and accrued interest to the date of prepayment will become due and payable and thereafter interest will cease to accrue. After such notice, the Bond or portions thereof so called for prepayment will be paid. Notwithstanding the provisions of this section, any notice of prepayment may contain a statement that the prepayment is conditioned upon the receipt by the Paying Agent of funds on or before the date fixed for prepayment sufficient to pay the principal amount prepaid and the accrued interest thereon to the date of prepayment, and that if such funds are not available, such prepayment shall be canceled by written notice to the owner of the Bond called for prepayment in the same manner as the original prepayment notice was mailed.

Section 16. Negotiability. Subject to the registration and payment provisions herein provided, the Bond shall be fully negotiable within the meaning of and for the purpose of the Uniform Commercial Code - Investment Securities and each Owner shall possess all rights enjoyed by owners of negotiable instruments under the Uniform Commercial Code-Investment Securities.

Section 17. Registration as to Principal and Interest. The Bond must be registered for payment as to both principal and interest. The Registrar shall maintain records for the registration and transfer of Bond.

Section 18. Registration of Bond.

A. Records for the registration of the Bond shall be kept by the Registrar. The person in whose name any Bond shall be registered, on the registration records kept by the Registrar, and as noted on the registration panel appended to the Bond, shall be deemed and regarded as the absolute owner thereof for the purpose of payment and for all other purposes; and payment of or on account of either principal or interest on any Bond shall be made only to or upon the written order of the Owner thereof or his or her legal representative. All such payments shall be valid and effectual to discharge the liability upon such Bond to the extent of the sum or sums so paid.

B. If the Bond shall be lost, stolen, destroyed or mutilated, the Registrar shall, upon receipt of such evidence, information or indemnity relating thereto as it or the County may reasonably require, and upon payment of all expenses in connection therewith, authenticate and deliver a replacement Bond; provided that if the United States of America is the holder of the Bond, no security or indemnity is required in the event of a lost or destroyed Bond. If such lost, stolen, destroyed or mutilated Bond shall have matured or shall have been called for prepayment, the Registrar may direct that such Bond be paid by the Paying Agent in lieu of replacement; provided that if the United States of America is the holder of the Bond, no security or indemnity is required in the event of a lost or destroyed Bond.

C. Whenever any Bond shall be surrendered to the Paying Agent upon payment thereof, or to the Registrar for replacement as provided herein, such Bond shall be promptly canceled by the Paying Agent or Registrar, and counterparts of a certificate of such cancellation shall be furnished by the Paying Agent or Registrar to the County.

D. The Registrar shall maintain a registration record for the Bond showing the name and address of the Registered Owner and the amounts and dates of any principal prepayments on the Bond and the amounts and dates of principal advances under the Bond.

Section 19. Form of Execution. The Chairman of the Board (the "Chairman") and the County Clerk/Treasurer may file their manual signatures with the Secretary of State, pursuant to the Uniform Facsimile Signatures of Public Officials Act, cited as Chapter 351, NRS. The registered Bonds shall be signed and executed in the corporate name of the County with the electronic, manual or facsimile signature of the Chairman, countersigned with the electronic, manual or facsimile signature of the County Treasurer, shall be attested with an electronic, manual or facsimile signature

of the County Clerk, shall be authenticated by the electronic or manual signature of an authorized officer of the Registrar, and an electronic, manual or facsimile of the seal of the County shall be affixed thereto. The Bonds bearing the signatures of the officers in office at the time of the signing thereof, shall be the valid and binding obligations of the County, notwithstanding that before the delivery thereof and payment therefor, any or all of the persons whose signatures appear thereon shall have ceased to fill their respective offices. Any officer herein authorized or permitted to sign any Bond at the time of its execution and of the execution of a signature certificate, may adopt as and for such officer's own electronic or facsimile signature, the electronic or facsimile signature of such officer's predecessor in office in the event that such electronic or facsimile signature appears upon the Bond.

Section 20. Incontestable Recital. Pursuant to Section 350.628 of the Bond Act, the Bond shall contain a recital that it is issued pursuant to the Project Act and the Bond Act, which recital shall be conclusive evidence of the validity of the Bond and the regularity of its issuance.

Section 21. Registration by Treasurer. Before the Bond is delivered, it shall be registered by the Treasurer of the County in a record kept in her office for that purpose. The register shall show the principal amount of the Bond, the time of payment on the Bond, and the rate of interest the Bond bears.

Section 22. Form of Single Bond. Subject to the provisions of this Ordinance, the Bond, the registration panel, and the form of assignment therefor, shall be in substantially the following form:

(Form of Bond)

STOREY COUNTY, NEVADA
WATER REVENUE BOND, SERIES 2020[A/B/C]

NO. R-1 Maximum Principal Amount: $_____

Dated: _____, 2020

Storey County, Nevada (the "County"), solely from the special funds provided therefor, hereby acknowledges itself obligated, and for value received, hereby promises to pay to the UNITED STATES OF AMERICA (the "United States"), the maximum principal amount above stated or such lesser amount as shall have been advanced hereunder together with interest on the unpaid balance at the rate [1.125%] per annum.

Interest shall accrue on the unpaid balance of the total principal amount hereof from the date of this Bond. Interest accrual shall be calculated based on a 365 day year and actual days elapsed. Interest payments shall be made by the County yearly on the anniversary of the date of delivery of the Bond commencing one year after the date of delivery of the Bond. Amortized principal payments shall be made by the County monthly on the anniversary of the date of delivery of the Bond commencing one month after the date of delivery of the Bond and ending within forty years of the date hereof until the total principal amount with interest thereon as aforesaid has been fully paid. The County shall pay amortized installments in an amount which shall be sufficient to fully pay the total principal amount advanced hereunder plus interest thereon within forty (40) years from the date of this Bond. An amortization schedule is attached hereto as Exhibit A and made a part of this Bond. If less than the maximum principal amount shall be advanced under this bond (this "Bond") by _____, the United States of America, Rural Development ("RD") shall prepare or cause to be prepared a revised amortization schedule showing installments of the principal advanced under this Bond, which schedule shall be provided to the County and attached hereto as Exhibit A and made a part of this Bond in place of Exhibit A attached upon the date of delivery of this Bond.

Principal may be advanced under this Bond by a written request of the County Chairman, Treasurer or Comptroller. The County Treasurer, as registrar for this Bond (the "Registrar"), shall maintain records showing the principal amount advanced hereunder and such records shall be conclusive evidence of the amounts and dates of each advance of principal.

If any installment is not paid when due, then in addition to installments thereafter becoming due, the County shall pay interest on the unpaid balance of the total principal amount from the due date of the delinquent installment to the date of payment of the delinquent installment, provided, that interest accruing by reason of any such delinquency shall not include any interest

applicable to such delinquency period in any installments subsequently paid and shall in no event cause the total interest payable on this Bond to exceed the Interest Rate per annum set forth above on the unpaid balance of the total principal amount. Except as otherwise provided herein, every payment on this Bond shall be applied first to interest due through the next installment due date and then the balance to principal.

The installments of principal and interest are payable in lawful money of the United States of America, without deduction for exchange or collection charges, during the period the United States of America is the registered owner of this single Bond, at the appropriate United States Department of Agriculture, Rural Development office, currently designated as 1390 S. Curry St., Carson City, Nevada 89703, or at such other place as the United States may designate in writing, and are so payable during any period the United States is not the registered owner hereof at the address shown on the registration records of the County. The final installment of principal due on this Bond is payable only upon the surrender of this Bond to the County.

All installments of principal are subject to prepayment at the option of the County prior to their stated due dates and, in inverse order of maturity, by the payment of such principal amount and accrued interest to the prepayment date. Prepayments shall be made on the date, at the place and in the manner provided herein for making regularly scheduled installment payments and partial prepayments shall be in the amount of that portion of one or more of the final installments allocable to principal. No partial prepayment shall extend or postpone the due date of any subsequent installment. Any prepayment shall be in the amount of principal being prepaid, together with accrued interest thereon to the date of prepayment, and shall be made without penalty or additional interest or charges. Prepayment shall be made upon prior notice as provided in the 2020 Water Revenue Bond Ordinance authorizing this Bond and adopted on _____ (the "Ordinance").

This single Bond is duly authorized to defray in part the cost to acquire, improve, equip, operate and maintain a water project within the meaning of NRS 244A.056, consisting of facilities pertaining to a county water system (the "System") for the collection, transportation, treatment, purification and distribution of a water project as defined in NRS 244A.056, including the Storey County 5 mile water line project, Hillside water storage tank replacement and repaying an interfund loan for a water project (the "Project"), under the authority of and in full conformity with the constitution and laws of the State of Nevada, and in particular the Bond Act (hereinafter defined) and the provisions of Nevada Revised Statutes Sections 244A.011 through 244A.065, inclusive (the "Project Act"), and Nevada Revised Statutes Sections 350.350 through 350.490, inclusive (the "Water Act") and all laws amendatory thereof, and pursuant to the Ordinance.

This Bond does not constitute a debt or indebtedness of the County within the meaning of any constitutional or statutory limitation and shall not be considered or held to be a general obligation of the County. The County does not pledge its full faith and credit for the payment of this Bond. Pursuant to the Project Act, as supplemented by Nevada Revised Statutes Sections 350.500 through 350.720, inclusive, and all laws amendatory thereof (the "Bond Act"), and all laws thereunto enabling, this Bond is a special obligation of the County payable and collectible

solely out of and secured by an irrevocable pledge of certain net income derived from the operation of the County's municipal water system (the "System"). The owner hereof may not look to any general or other fund for the payment of the principal of or interest on this Bond except the special funds pledged therefor. This Bond is issued pursuant to the Project Act and to the Bond Act. Pursuant to Section 350.628 of the Bond Act, this recital is conclusive evidence of the validity of this Bond and the regularity of its issuance.

Payment of this Bond and interest thereon shall be made solely from, and as security for such payment there are pledged, pursuant to the Ordinance, two special funds identified as the "2020 Water Revenue Bond Account," and the "2020 Water Revenue Bond Reserve Account," into which the County covenants to pay from the revenues of the System, after provision only for all necessary and reasonable operation and maintenance expenses, sums sufficient to pay the principal and the interest of this Bond and to create and maintain a reasonable and specified reserve. For a description of said funds and the nature and extent of the security afforded thereby, reference is made to the Ordinance. This Bond is secured by and constitutes an irrevocable and prior lien (but not necessarily an exclusive lien) upon the net revenues of the System. Subject to designated conditions, additional bonds may be issued payable from the net revenues and having a lien thereon inferior and junior to the lien, or subject to additional conditions having a lien thereon on a parity with the lien of this Bond, [the 2020A Bond, the 2020B Bond and the 2020C Bond] (as defined in the Ordinance), in accordance with the Ordinance.

The County covenants and agrees with the owner hereof that it will keep and perform all the covenants of the Ordinance, including its covenant against the sale or mortgage of the System or any part thereof unless provision has been made for the payment of this Bond and its covenant that it will fix, maintain and collect rates sufficient to pay operating and maintenance expenses and 100% of both the principal of and the interest on this Bond and any other obligations payable annually from the net revenues of the System (including reserves).

This Bond shall be registered for payment in the name of the registered owner hereof only as to both principal and interest in the records of the County in the office of the Treasurer of the County, as Registrar, and in the panel appended to this single Bond. This Bond is transferable by the registered owner hereof, in person or by his attorney duly authorized in writing, at the office of such County Treasurer. No transfer of this Bond shall be valid until it has been duly entered in such records and duly noted on the registration panel appended to this Bond.

It is further certified, recited, and warranted that all the requirements of law have been fully complied with by the proper County officers in the issuance of this Bond.

No recourse shall be had for the payment of the principal of or the interest on this Bond or for any claim based thereon or otherwise upon the Ordinance or other instrument pertaining thereto, against any individual member of the Board of County Commissioners or any officer or other agent of the County, past, present or future, either directly or indirectly through the Board of county Commissioners or otherwise, whether by virtue of any constitution, statute or rule of law, or

by the enforcement of any penalty or otherwise, all such liability, if any, being by the acceptance of this single Bond and as a part of the consideration of its issuance specially waived and released.

IN WITNESS WHEREOF, the Board of County Commissioners of Storey County, Nevada, has caused this Bond to be signed and executed in its name and on its behalf with the manual or facsimile signature of the Chairman, countersigned by the electronic, manual or facsimile signature of the County Treasurer, attested by the electronic, manual or facsimile signature of the County Clerk, with the manual or facsimile seal of the County affixed hereto, all as of the date of the delivery hereof.

STOREY COUNTY, NEVADA

{SEAL}

(Electronic, Manual or facsimile signature)
Chairman

Countersigned:

(Electronic, Manual or Facsimile Signature)
County Treasurer

Attest:

(Electronic, Manual or Facsimile Signature)
County Clerk

(End of Form of Bond)

(Form of Prepayment Panel)

The following installments of principal (or portions thereof) of this Bond have been prepaid by the County in accordance with the terms of the Ordinance authorizing the issuance of this Bond:

Date of Payment	Amount Prepaid	Signature of Registered Owner
_____	$_____	_____
_____	_____	_____
_____	_____	_____

(End of Prepayment Panel)

(Form of Registration Panel Appended to Bond)

MANDATORY REGISTRATION FOR PAYMENT AS TO PRINCIPAL AND INTEREST

The within Bond is registered in the office of the Treasurer of the County, as Registrar, in the name of the last owner listed below; and the principal amount of the Bond and interest thereon shall be payable only to such owner, all in accordance with the Ordinance authorizing the Bond's issuance.

Date of Registration	Name of Owner	Address of Owner	Signature of Registrar
_____	United States of America	USDA, Rural Development 1390 S. Curry St. Carson City, NV 89703	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

(End of Form of Registration Panel)

(Form of Assignment Panel Appended to Bond)

For value received, the undersigned hereby assigns and transfers unto _____ the within Single Registered Water Revenue Bond No. R-1, together with accrued interest thereon, and does hereby irrevocably constitute and appoint _____ attorney in fact to transfer said Bond on the registration records of the County at the office of the County Treasurer, a Registrar with full power of substitution in the premises.

Dated _____ _, 20__.

_____

In the presence of:
Signature Guaranteed
By

_____

NOTICE: The Signature to this assignment must correspond with the name as it appears upon the Registration Panel of the within Bond in every particular, without any alteration whatsoever.

Name of Transferee:_____

Address of Transferee:_____

Taxpayer Identification number or

Social Security Number(s):_____

(End of Form of Assignment Panel Appended to Bond)

Exhibit A

(Attach Amortization Schedule)

FORM OF PRINCIPAL ADVANCE REQUEST

Date: _____

USDA, Rural Development
1390 S. Curry St.
Carson City, NV 89703

Re: Storey County, Nevada
Water Revenue Bond, Series 2020[A/B/C]
Dated _____, 2020

Ladies and Gentlemen:

The undersigned hereby requests that you make a principal advance in the amount of $_____ on the above-referenced Bond to the order of the undersigned Storey County, Nevada (the "County") on _____ which is at least three business days after the date of this request.

The undersigned hereby certifies and warrants that:

1. The aggregate of principal advances requested from USDA, RD under the above-referenced Bond, including the advance requested in this letter, do not exceed the maximum principal amount of the Bond of [$2,126,000/$701,000/$344,000];

2. All representations and warranties of the County contained in the Bond and the documents accompanying the Bond, including, without limitation, the Federal Tax Exemption Certificate dated _____, 2020, remain true and correct on this date as if made on this date. No event of default, as defined in the Ordinance adopted by the County Commission on September 1, 2020, has occurred and is continuing. No law has been adopted which would in any way adversely affect the County's authority to obtain and repay this advance. The County covenants to advise you immediately if any such law is adopted; and

3. Please deposit the amount advanced into our account:

Routing # _____
Account # _____

Respectfully submitted,

STOREY COUNTY, NEVADA

By:_____
(Must be Chairman, County Clerk/Treasurer or County Comptroller)

Section 23. Period of Facilities' Usefulness. The facilities to be financed with Bond proceeds will be useful for at least 40 years.

Section 24. Bond Preparation. Execution and Delivery. The Chairman and the County Clerk/Treasurer are directed to prepare and execute the Bond. Thereafter, the County Treasurer shall deliver the Bond to RD on behalf of the United States of America as purchaser on receipt of the agreed purchase price.

Section 25. Disposition of Bond Proceeds.

A. Construction Account. Bond proceeds advanced under the Bond from time to time shall be immediately deposited in an account hereby created and designated as the "2020 Construction Account" (the "Construction Account"). Such account shall be maintained in an Insured Bank selected by the County and the United States. Moneys in the Construction Account shall be used solely for the Project, including paying costs of issuance, and shall be withdrawn only upon warrants or checks drawn and signed by the County Comptroller, and such expenditure approved by an official of RD. Warrants or checks shall not be issued until the Board has received engineering approval that such sum is due and owing. The County's share of any liquidated damages and other moneys paid by defaulting contractors or their sureties shall be deposited in the Construction Account to assure completion of the Project. After the Consulting Engineer has certified that work is completed and that all expenses have been paid, the Insured Bank shall transfer all remaining Bond proceeds, including interest, in the Construction Account to the Bond Fund to be used to the extent possible for redeeming Bonds prior to maturity as provided by this Ordinance.

B. Purchaser not Responsible. The Purchaser or any Registered Owner shall not be responsible for the application or disposal of Bond proceeds.

Section 26. Fiscal Year. For the purpose of this Ordinance the System shall be operated upon a fiscal year commencing July 1 in each year and ending on June 30 of the next succeeding year.

Section 27. Income Fund. A special account is hereby created and shall be known as the "Storey County Water Revenue Fund," herein sometimes designated as the "Income Fund". So long as the Bond shall be outstanding all Net Revenues derived from the operation of the System

shall be deposited into the Income Fund. Any money remaining in the Proceeds Account after the completion of the Project shall be deposited in the Bond Account.

Section 28. Administration of Income Fund. The following payments shall be made from the Income Fund.

A. Operation and Maintenance Expenses. First, there shall be set aside each month such reasonable percentage of the Income Fund as the Board shall determine to be reasonable and necessary for the proper operation and maintenance of the System. Any surplus remaining at the end of the Fiscal Year and not used for Operation and Maintenance Expenses shall be transferred back to the Income Fund.

B. Bond Account Payments. Second, from any moneys remaining in the Income Fund there shall be deposited into a separate account hereby created to be known as the "2020 Water Revenue Bond Account" (herein "Bond Account") monthly, commencing on or before the day preceding the payment date, and on or before the day preceding each succeeding payment date thereafter, an amount sufficient, together with any available moneys therein, to pay the next maturing installment of principal and interest on the outstanding Bond until the maturity or prior prepayment of the Bond. The Bond Account is hereby pledged to the repayment of the principal of and interest on the Bond.

C. Reserve Account Payments. There shall be deposited annually into a separate account hereby created to be known as the "2020 Water Revenue Bond Reserve Account" (herein "Reserve Account"), commencing on or before the first payment date and continuing monthly on each subsequent payment date, an amount at least equal to 10% of the monthly payment of principal and interest until an amount at least equal to one year of principal and interest payments (the "Minimum Reserve") has been accumulated. After the Minimum Reserve has been accumulated, an amount shall be deposited annually from the Income Fund into the Reserve Account sufficient to maintain said Reserve Account in an amount not less than the Minimum Reserve. The Reserve Account is hereby pledged to the repayment of the principal of and interest on the Bond. The moneys in the Reserve Account shall be maintained as a continuing reserve to be used only for the following with the prior written approval from RD:

1. Securities Requirements. To pay principal and interest on the Bond, if necessary to prevent a default;

2. Emergency Maintenance Costs. To pay the costs of extraordinary and major repairs, renewal, replacements, or maintenance items appertaining to such System of a type not recurring annually and not defrayed as operation and maintenance expenses;

3. Capital Costs. To pay the cost of extending the System; and

4. Replacement Costs. To pay the costs of replacing short-lived assets of the System which have useful lives significantly less than the term of the Bonds.

D. Termination of Deposits. Payment need not be made into the Bond Account or the Reserve Account if the total amount in both funds at least equals the principal and interest requirements of the then outstanding Bond to maturity. In that case such an amount equal to such principal and interest requirements shall be set aside for that purpose and all other moneys may be used in any lawful manner.

E. Defraying Delinquencies in Bond Account and in Reserve Account. If, for any reason, the County shall fail to pay into the Bond Account the full stipulated amount from Net Revenues, then the difference between that paid and the amount stipulated shall be paid into the Bond Account from the Reserve Account. Money so used shall be replaced in the Reserve Account from the first revenues thereafter received not required to be otherwise applied by this section. If the proceedings authorizing other Parity Securities require the replenishment of moneys in a reserve account, then money shall be replenished in each such reserve fund on a pro rata basis. If, for any reason, the County shall fail to pay into the Reserve Account the full stipulated amount, the difference between the amount paid and the amount stipulated shall in like manner be paid therein from the first revenues thereafter received not required to be otherwise applied by this section. The moneys in the Bond Account shall be used only for the purpose of paying Bond principal and interest. Any moneys in the Reserve Account in excess of the Minimum Reserve (including any investment income) may be withdrawn and used in the same manner as Net Revenues.

F. Payment for Additional Obligations. After making the above payments, any balance in the Income Fund may be used for the payment of principal and interest on additional

bonds including reasonable reserves therefor. The lien of additional bonds on Net Revenues shall be on a parity with, or subordinate to, the lien and pledge of the Bonds. Any payments for principal of, interest on and for deposits to reserve funds with respect to Parity Securities shall be made concurrently with those required by this section.

G. Use of Surplus Revenues. After making the above payments, the remaining Net Revenues, if any, may be applied to any other lawful purpose or purposes authorized by the Constitution and laws of the State as the Board may direct.

Section 29. General Administration of Funds and Accounts. The funds and accounts hereof shall be administered as follows:

A. Places and Times of Deposits. The above accounts and funds shall be separately maintained and deposited in one or more bank accounts in an Insured Bank or Banks. Each account shall be continuously secured to the extent required by law and shall be irrevocable and not withdrawable by anyone for any other purpose. Amounts in the account exceeding the applicable federal deposit insurance coverage shall be secured by the Insured Bank in advance in accordance with U.S. Treasury rules and regulations governing the deposit of government moneys. Payments shall be made into the proper account on the payment date when due, except that when the payment date shall be a Sunday or legal holiday, the payment shall be made on the preceding calendar which is not also a Sunday or legal holiday. At least one day prior to any principal and interest payment date, moneys sufficient to pay interest and principal due on such payment date shall be credited at the Paying Agent. Nothing in this Ordinance shall prevent the Board from establishing one bank account for any of the funds and accounts required by this Ordinance.

B. Investment of Money. Any moneys in any fund or account designated in Sections 25, 27 and 28 of this Ordinance may be invested or reinvested by the County in such obligations as may be permitted by the Constitution and laws of the State of Nevada, and applicable federal statutes and regulations.

C. Tax Covenant. The County covenants for the benefit of the Owners of the Bond that it will not take any action or omit to take any action with respect to the Bond, the proceeds thereof, any other funds of the County or any facilities financed with the proceeds of the Bond if such action or omission (i) would cause the interest on the Bond to lose its exclusion from gross

income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Tax Code"), or (ii) would cause interest on the Bond to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code. The foregoing covenant shall remain in full force and effect notwithstanding the payment in full of the Bond until the date on which all obligations of the County in fulfilling the above covenant under the Tax Code have been met.

Section 30. Prior Lien Bonds. The Bond constitutes an irrevocable and prior lien (but not necessarily an exclusive lien) upon the Net Revenues, superior to the lien thereon of any subordinate securities and on a parity with the lien thereon of any Parity Securities.

Section 31. Additional Bonds.

A. Earnings Test. This Ordinance shall not prevent the issuance of additional bonds payable from and constituting a lien upon Net Revenues on a parity with the lien of the Bond. Before any such additional parity bonds are actually issued (and upon receiving the prior written consent of the United States of America for so long as the United States of America is the Registered Owner of the Bond) it must be determined that:

1. The County is not, and has not been in default as to any payments required to be made in Section 28 hereof during the Fiscal Year immediately preceding the issuance of such additional bonds, or if the Bond has not been outstanding for a full Fiscal Year, then for the longest period of time the Bond has been outstanding; and

2. The annual Net Revenues derived from the operation of the System for the Fiscal Year immediately preceding the date of the ordinance authorizing the issuance of any such Parity Securities shall have been sufficient to pay an amount representing 120% of the average annual principal and interest requirements on all bonds then outstanding and constituting a lien upon Net Revenues and the Parity Securities proposed to be issued (excluding reserves). As used in this section "average annual principal and interest requirements" shall be the total principal and interest coming due on the then outstanding Bond and the proposed Parity Securities during the period extending from the date of the proposed Parity Securities to the

final principal payment date of the then outstanding Parity Securities or the proposed Parity Securities, whichever is longer, divided by the number of years (including any fraction thereof) computed from the date of the proposed Parity Securities to the last principal payment date of the then outstanding Parity Securities, or the proposed Parity Securities whichever is longer.

The foregoing limitations upon the issuance of Parity Securities shall not apply in the case of the issuance of additional Parity Securities necessary to complete the Project in accordance with the original plans and specifications therefor as prepared and filed by the Consulting Engineer and upon certificates by such Consulting Engineer that such Parity Securities are required for such Project. Such certificates shall conclusively determine the right of the County to issue such Parity Securities.

B. Certification or Opinion of Revenues. A written certificate or opinion by the County Treasurer, Comptroller or an Independent Accountant that the earnings test set forth in Section 31(A) above has been met shall conclusively determine the right of the County to issue additional Parity Securities. The County Treasurer, Comptroller or an Independent Accountant may utilize the results of any annual audit to the extent it covers the applicable period and may conclusively rely on a Consulting Engineer's Certificate for the amount of any adjustment required under paragraph C of this section. In the event that an annual audit covering the applicable period is unavailable, the County Treasurer or the County Comptroller may utilize unaudited information covering the applicable period in making such written certification.

C. Consideration of Additional Expenses. In determining whether additional Parity Securities may be issued, the County Treasurer, Comptroller or the Independent Accountant shall consider any probable increase (but not reduction) in Operation and Maintenance Expenses. A written certificate by a Consulting Engineer as to the amount of such probable increase may be conclusively relied on by the County and the County Treasurer, Comptroller or the Independent Accountant in determining the right of the County to issue additional Parity Securities.

D. Subordinate Obligations Permitted. The County may issue bonds or other obligations (upon receiving the prior written consent of the United States of America for so long as

the United States of America is the Registered Owner of the Bond) having a lien on Net Revenues subordinate to the lien thereon of the Bond.

E. Superior Obligations Permitted. The County shall not issue any bond or other obligation having a lien on Net Revenues prior and superior to the lien thereon of the Bond unless the County has received the prior written consent of the United States of America.

F. Waiver of Earnings Test. The foregoing earnings test described at Section 31(A) above, may be waived or modified by the written consent of Bondholders representing seventy-five percent (75%) of the then outstanding principal indebtedness on a parity with the proposed Parity Securities.

Section 32. Defeasance. Pursuant to RD Instruction 1942-A, Section 1942.19(h)(10)(iii), so long as the United States of America is the Registered Owner of the Bond, the Bond may not be defeased.

Notwithstanding the foregoing, if the United States of America is no longer the Registered Owner of the Bond, when the principal of and interest on the Bond (the "Bond Requirements") have been duly paid, the pledge and lien and all obligations hereunder shall thereby be discharged as to the Bond and the Bond shall no longer be deemed to be outstanding within the meaning of this Ordinance. There shall be deemed to be such due payment when the County has placed in escrow or in trust with a trust bank located within or without the State (the "Bank"), an amount sufficient (including the known minimum yield available for such purpose from Federal Securities in which such amount wholly or in part may be initially invested) to meet all Bond Requirements of the Bond, as the same become due to the final maturity of the Bond or upon any prepayment date as of which the County shall have exercised or shall have obligated itself to exercise its prior prepayment option by a call of the Bond for payment. The Federal Securities shall become due before the respective times on which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the County and the Bank at the time of the creation of the escrow or trust, or the Federal Securities shall be subject to prepayment at the option of the owners thereof to assure availability as so needed to meet the schedule. For the purpose of this Section, the term "Federal Securities" shall be as defined in NRS 350.522, and shall include only Federal Securities which are not callable for prepayment prior to their maturities except at the option of the holder thereof.

Section 33. Protective Covenants. The County covenants and agrees with each and every Holder that:

A. Use of Bond Proceeds. The Project shall be constructed and acquired and the System improved and extended without delay.

B. Payment of Bonds Herein Authorized. The County will make the Bond principal and interest payments at the place, on the dates, and in the manner specified according to the true intent and meaning thereof.

C. Use Charges. Rates for services rendered by the System shall be reasonable and just, taking into account the cost and value of the System, Operation and Maintenance Expenses, possible delinquencies, proper allowances for depreciation, contingencies, and the amounts necessary to retire all bonds payable from Net Revenues, and the reserves therefor. There shall be charged against all users, including the State of Nevada and its subdivisions, rates and amounts sufficient to produce revenues to pay the annual Operation and Maintenance Expenses, and 100% of both the principal of and interest on all bonds and other obligations payable from Net Revenues,

including reserves. Except as otherwise provided by law, no free service shall be furnished by the System. Any use of the System by the County will be paid for from the County's general fund at the reasonable value of the use so made. Income so derived from the County shall be treated in the same manner as any other System income.

D. Levy of Charges. Prior to the delivery of the Bonds, the County will establish, levy and maintain the rates and charges which are required to meet the provisions of paragraph C of this Section. No reduction in any initial water rate schedule may be made unless:

1. The County has complied with Section 28 for at least two Fiscal Years immediately preceding such reduction.

2. The audits for the full two Fiscal Years immediately preceding such reduction disclose that the estimated revenues resulting from the proposed rate schedule will be sufficient to meet the requirements of paragraph C of this section.

3. If the United States of America then owns the Bonds, the State Director of the RD (or equivalent RD officer) approves in writing the proposed reduction, provided that RD on behalf of the United States of America shall have first been furnished with a written request signed by the Treasurer or Comptroller requesting and justifying such reduction. This Section 33D(3) applies only if the United States owns the Bonds on the date of the reduction.

E. Efficient Operation. The County shall make such improvements and repairs to the System as may be necessary to insure its economical and efficient operation and its ability to meet demands for service.

F. Records. Separate records will be kept showing complete and correct entries of all transactions relating to the System. Such records shall include monthly entries showing:

1. The number of System customers;

2. The Gross Revenues received and Operation and Maintenance Expenses;

3. A detailed statement of expenses; and

4. Such other items specified by any form furnished by the United States of America or RD including an annual report to be provided to RD specifying the amount of water service purchased, total number of System customers and the list of names, addresses and telephone numbers of the current members of the Board of the County.

Before each Fiscal Year the Board will cause an operating budget to be prepared.

G. Right to Inspect. Any Registered Owner, or their duly authorized agents, shall have the right at all reasonable times to inspect the System, and all records, accounts and data relating thereto.

H. Audits and Budgets. As long as the United States of America is the Registered Owner of the Bonds, the County agrees that it will, within 90 days following the close of each Fiscal Year when available, furnish an audit made by an Independent Accountant to RD (at the State Office of RD). Each such audit, in addition to matters thought proper by the accountant, shall include:

1. A statement for the Fiscal Year just closed, of the income and expenditures of the System, including Gross Revenues, Net Revenues, the amount of any capital expenditures and profit or loss;

2. A balance sheet as of the end of such Fiscal Year, including all funds and accounts created by proceedings authorizing bonds payable from System revenues;

3. The accountant's comment regarding the County's methods of operation and accounting practices;

4. A list of the insurance policies in force, setting out the amount of each policy, the risks covered, the name of the insurer, and the expiration date;

5. A recapitulation of each fund or account created by the various proceedings showing deposits and withdrawals for said Fiscal Year.

After the beginning of each new Fiscal Year, the County shall furnish an operating budget showing the planned budget for the ensuing year and a copy of the minutes of the meeting of the Board at which such budget was approved. Along with the operating budget, the County shall provide a letter showing the name, address and term of office for each member of the Board, the number of residential users and the number of commercial users of the System as of the end of the Fiscal Year. The County will furnish the designated United States representative with quarterly statements of income and expense on forms furnished by the United States of America. The County will furnish a copy of each audit, budget, quarterly statement and written instrument to the United States of America.

I. Billing Procedure and Discontinuance of Service. All bills shall be sent out on a regularly established manner each month in advance or after service is rendered. Bills shall be

due within an established number of days from the bill date. Bills for water use and water service may be sent out in combination with bills for another utility (e.g., water bills, solid waste bills or refuse collection bills) as long as such amounts are separately stated. If bills are not paid 30 days after such due date they shall be collected in any lawful manner.

J. Use of Bond and Reserve Accounts. The Bond Account and the Reserve Account shall be used solely and only, and said funds are hereby pledged, for the purposes set forth above.

K. Charges and Liens upon System. The County will pay all taxes and governmental charges lawfully levied in respect of the System when due. The County will comply with all valid requirements of any governmental authority relative to the System. It shall not create or permit to be created any lien or charge upon the System or the revenues except as permitted herein. The County will satisfy all claims and demands within 60 days after the same shall accrue which might by law become a lien upon the System or upon the revenues unless the validity thereof is being contested in good faith by appropriate legal proceedings.

L. Construction Contract and Bond. The County will require each person, firm or corporation with whom it may contract for labor or materials to furnish a performance and payment bond in the full amount of any contract. Any such contract will meet the reasonable requirements of the United States of America and RD which are not inconsistent with State law.

M. Insurance. Fire and extended coverage insurance will be obtained and maintained on the facilities above ground, including County-owned contents, equipment and machinery, the amounts of which will be determined with the assistance of the Project Engineer. The proceeds of such insurance shall be used to restore the property lost or damaged and any remainder (or if such lost or damaged property is no longer required for the System the entire proceeds) will be distributed as Net Revenues. The County will carry workmen's compensation insurance on all full-time employees and will maintain public liability insurance (including liability and property damage insurance on County-owned or operated vehicles) if authorized by State law as interpreted by the legal counsel for the County.

N. Competing System or Works. The County shall not grant any franchise or license to a competing System within the County's Gold Hill and Virginia City service areas, or permit any person or organization to sell water service within the County's Gold Hill and Virginia City service areas, but this covenant shall not require the County to take any action which, in the opinion of the County's legal counsel, may violate antitrust laws and shall not prevent the County

from permitting general improvement districts within the County from providing water service in the County.

O. Alienating System. The County will not sell, lease, mortgage, pledge, or otherwise alienate the System, or any part thereof, except any portion which shall have been replaced by other property of at least equal value or which shall cease to be necessary for the efficient operation of the System. In the event of any sale as aforesaid, the proceeds of such sale shall be distributed as Net Revenues.

P. Extension of Interest Payments. The County will not extend or be a party to the extension of the time for paying any claim for interest. Any installment of interest so extended shall not be entitled in case of default hereunder to the benefit or security of this Ordinance except subject to the prior payment in full of the principal of all bonds and interest which has not been extended.

Q. Management of the System. If an "event of default" shall occur or if the Net Revenues in any Fiscal Year fail to equal principal, interest and reserves for all bonds payable from Net Revenues, the County shall retain a Consulting Engineer to assist in the management of the System so long as such default continues or the Net Revenues are less than the amount designated.

R. Fidelity Bonds. The persons, being responsible for receiving income and maintaining the accounts of the System, shall be bonded in a blanket position fidelity bond in a penal sum at least equal to the maximum amount on hand at any one time (exclusive of Bond proceeds), which fidelity bond may be provided on Form RD 440-24 "Position Fidelity Schedule Bond" or other equivalent United States forms and shall designate the United States of America as a co-obligee.

S. The County's Existence.

1. The County will maintain its "corporate" identity and existence so long as any of principal of the Bond remains outstanding (and the United States of America is a Registered Owner of any of such Bond), unless another political subdivision by operation of law succeeds to the liabilities and rights of the County without adversely affecting to any substantial degree the privileges and rights of any Registered Owner.

2. The County agrees to give written notice to the RD City or State Office, if the United States of America is a Registered Owner of any principal of the

Bond, at least 30 days prior to any contemplated merger, consolidation or dissolution of the County.

Section 34. Events of Default. It is an "event of default" if:

A. Nonpayment of Principal. Payment of any principal of the Bonds is not made when due or upon prior prepayment.

B. Nonpayment of Interest. Payment of interest is not made when due.

C. Incapable to Perform. The County is not capable of fulfilling its obligations hereunder.

D. Default of Any Provision. The County defaults in the punctual performance of its covenants hereunder for 60 days after written notice shall have been given by the Owners of 25% of the outstanding principal of the Bonds.

Section 35. Remedies on Default. Upon the happening of any event of default, the Registered Owners or Holders of not less than 25% in principal amount of the outstanding Bond, or a trustee therefor, may protect and enforce the rights of any Bondholder or Owner by proper legal or equitable remedy deemed most effectual including mandamus, specific performance of any covenant, the appointment of a receiver (the consent to such appointment being hereby granted), injunctive relief, or requiring the governing body of the County to act as if it were the trustee of an expressed trust, or any combination of such remedies. All proceedings shall be maintained for the equal benefit of all Registered Owners and holders of the Bonds. Any receiver appointed to protect the rights of Bondholders may take possession and operate and maintain the System in the same manner as the County itself might do. The failure of any Registered Owner or Holder to proceed does not relieve the County or any person of any liability for failure to perform any duty hereunder. The foregoing rights are in addition to any other right and the exercise of any right by any Bondholder or Owner shall not be deemed a waiver of any other right.

Section 36. Duties upon Default. Upon the happening of any event of default, the County will perform all proper acts to protect and preserve the security created for the prompt payment of the principal of and interest on the Bonds. The Owners or Holders of not less than 25% in principal amount of the outstanding Bonds after written demand, may proceed to protect and enforce the rights provided by this section.

Section 37. Prior Charge Upon Lower Rates. If any commission or authority lawfully prescribes a lower schedule of rates than that contemplated by this Ordinance, then the

payment of principal and interest on the Bonds, and any Parity Securities, shall constitute a prior lien and charge on revenues.

Section 38. Refinancing. If it shall appear to RD, during the time the United States owns any of the Bonds, that the County can refinance the amount of the Bonds then outstanding, in whole or in part, by obtaining a loan for such purposes from responsible cooperative or private credit sources, at reasonable rates and terms for loans for similar purposes and periods of time, the County agrees (upon the request of RD), within the limitations of its then existing powers, (and subject to any contractual limitations contained herein concerning the payment of the Bonds and its prepayment), to apply for and to accept such loan, with conditions acceptable to the County, in sufficient amount to repay the United States and agrees to take such action as may be required in connection with such loan. Any such refinancing shall be accomplished according to applicable statutes of the State.

Section 39. Bond Discharge. When the Bonds have been paid, the pledge and lien and all obligations hereunder shall be discharged and the Bonds shall no longer be deemed to be outstanding.

Section 40. Amendment of Ordinance. This Ordinance may be amended, without receipt by the County of any additional consideration, but with the written consent of the Owners of seventy-five percent (75%) of the principal of the Bonds then outstanding (not including any portion of the Bonds which may be held for the account of the County); but no ordinance adopted without the written consent of the Registered Owners of all of the outstanding Bonds shall have the effect of permitting:

1. An extension of any installment payment of the Bonds; or
2. A reduction in the principal amount or interest rate of the Bonds; or
3. The creation of a lien upon revenue ranking prior to the lien or pledge created by this Ordinance; or
4. A reduction of the principal amount of the Bonds required for consent to such amendatory ordinance; or
5. The modification of or otherwise affecting the rights of the Holders of less than all of the outstanding Bonds.

Section 41. Delegated Powers. The officers of the County be, and they hereby are, authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Ordinance, including, without limitation, the execution of such certificates and forms electronically

or otherwise as may be reasonably required by the United States of America or RD, relating, inter alia, to the signing of the Bonds, the tenure and identity of the officials of the Board and of the County, the delivery of the Bonds and the receipt of the Bond purchase price, and, if it is in accordance with fact, the absence of litigation, pending or threatened, affecting the validity thereof, and the absence and existence of factors affecting the exemption of interest on the Bonds from federal income taxation, the assembly and dissemination of financial and other information concerning the County, the Bonds, and the sale and issuance of the Bonds pursuant to the provisions of this Ordinance and to any instrument supplemental thereto.

Section 42. Prior Contracts. If any provision herein is inconsistent with any provision in any existing contract pertaining to the County so as to affect prejudicially and materially the rights and privileges thereunder, so long as such contract shall remain viable and in effect such provision therein shall control such inconsistent provision herein and the latter provision shall be subject and subordinate to such provision in such existing contract.

Section 43. Police Power. Nothing in this Ordinance prohibits or otherwise limits or inhibits the reasonable exercise in the future by the State and its governmental bodies of the police powers and powers of taxation inherent in the sovereignty of the State or the exercise by the United States of the powers delegated to it by the Federal Constitution. The County cannot contract away such powers nor limit or inhibit by contract the proper exercise thereof, and this Ordinance does not purport to do so.

Section 44. Ordinance Irrepealable. After the Bonds are issued, this Ordinance shall constitute an irrevocable contract between the County and the owner of the Bond and this Ordinance, if the Bond is in fact issued, shall be and shall remain irrepealable until the Bonds, as to all Bond Requirements shall be fully paid, canceled and discharged as herein provided.

Section 45. Repealer Clause. All bylaws, orders, ordinances and resolutions, or parts thereof, inconsistent with this Ordinance are hereby repealed. This repealer shall not be construed to revive any bylaw, order, ordinance or resolution, or part thereof, heretofore repealed.

Section 46. Publication of Proposed Ordinance. The Board has expressed in the preambles to this Ordinance that it pertains to the sale, issuance, or payment of a revenue bond, and that this instrument may accordingly be adopted as if an emergency now exists. This Ordinance shall become effective after its publication at least twice by its title only, together with the names of the Commissioners voting for or against its passage and a statement that typewritten copies of this Ordinance are available for inspection by interested parties at the office of the County Clerk, such publication to be made in a newspaper or newspapers of general circulation in the County at least once a week for a period of two weeks, and such publication to be in substantially the following form:

(Form of Publication)

BILL NO.

ORDINANCE NO. 20-

AN ORDINANCE AUTHORIZING THE ISSUANCE OF THE STOREY COUNTY, NEVADA, WATER REVENUE BONDS, SERIES 2020A, 2020B AND 2020C IN THE COMBINED MAXIMUM PRINCIPAL AMOUNT OF $3,171,000 TO PAY IN PART THE COST TO FINANCE WATER PROJECTS; PROVIDING THE FORMS, TERMS AND CONDITIONS OF THE BOND, THE SECURITY AND THE SALE THEREOF; PROVIDING OTHER MATTERS RELATING THERETO AND THE EFFECTIVE DATE HEREOF.

PUBLIC NOTICE IS HEREBY GIVEN that typewritten copies of the above-numbered and entitled ordinance are available for inspection by all interested parties at the office of the County Clerk of Storey County, Nevada; and that such ordinance was proposed on September 1, 2020, and was passed at the meeting held on September 1, 2020 by the following vote of the Board:

Those Voting Aye:

Those Voting Nay: _____

_____

Those Absent: _____

_____

This Ordinance shall be in full force and effect from and after the 11th day of the month of September of the year 2020, i.e., the date of the second publication of such Ordinance by its title only.

IN WITNESS WHEREOF, the Board of County Commissioners of Storey County, Nevada, has caused this instrument to be published by title only.

DATED on September 1, 2020.

/s/_____
Chairman, Board of
County Commissioners
Storey County, Nevada

(SEAL)

Attest:

/s/ _____
County Clerk
Storey County, Nevada

(END OF FORM OF PUBLICATION OF ADOPTION OF ORDINANCE)

Section 47. Severability Clause. If any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall in no way affect any of the remaining provisions of this Ordinance.

Proposed on the 18th day of August, 2020.

Proposed by Commissioner _____.

Passed the 18th day of August, 2020.

Those Voting Aye:

Those Voting Nay: _____

Absent: _____

_____
Chairman
Board of County Commissioners
Storey County, Nevada

(SEAL)

Attest:

_____
County Clerk

This ordinance shall be in force and effect from and after the 11th day of the month of September of the year 2020 (i.e., the date of the second publication of such ordinance by its title only).

STATE OF NEVADA)
) ss
COUNTY OF STOREY)

I am the duly chosen and qualified County Clerk of Storey County (herein "County"), Nevada, and in the performance of my duties as Clerk do hereby certify:

1. The foregoing pages are a true, correct and compared copy of the original ordinance proposed and adopted at the regular meeting of the Board of County Commissioners (the "Board") on September 1, 2020 and the original of such ordinance has been approved and authenticated by the signature of the Chairman of the Board and myself as Clerk, and has been recorded in the minutes of the Board kept for that purpose in my office, which record has been duly signed by such officers and properly sealed.

2. The foregoing ordinance was first proposed and adopted at a regular meeting of the Board on September 1, 2020. The members of the Board were present at the September 1, 2020 meeting and voted upon the adoption of the ordinance as set forth in the ordinance.

3. All members of the Board were given due and proper notice of such meeting.

4. Public notice of such meeting was given and such meeting was held and conducted in full compliance with the provisions of NRS 241.020 and the Nevada Governor's Directive 006, as amended. A copy of the notice of meeting (attached as Exhibit A) and excepts from the agenda for the meeting relating to the Ordinance, as posted no later than 9:00 a.m. on the third working day prior to the meeting, on the County's website, on the State of Nevada's official website and if required by the NRS 241.020 and the Nevada Governor's Directive 006, as amended, at least three (3) other separate, prominent places within the jurisdiction of the Board.

5. Prior to 9:00 a.m. at least 3 working days before such meeting, such notice was given to each person, if any, who has requested notice of the meetings of the Board in compliance with NRS 241.020(3)(b) by United States Mail, or if feasible and agreed to by the requestor, by electronic mail.

IN WITNESS WHEREOF, I have hereunto set my hand on September 1, 2020.

_____
County Clerk

EXHIBIT A

(Attach Notice of September 1, 2020 Meeting)

EXHIBIT B

(Attach Affidavit of Publication Twice by Title)

Storey County Board of County Commissioners
Agenda Action Report

Meeting date: September 1, 2020 **Estimate of time required:** 5-10 min.

Agenda: Consent [ ] Regular agenda [x] Public hearing required [ ]

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1. **Title:** Consideration and possible approval of acceptance of HAVA Election Security Grant and terms from the Nevada Secretary of State in the amount of $15,939.93 for the purpose of elections segregation and MFA (Multi-Factor Authentication) Prototype Project. Source of funds is the US Election Assistance Commission.

2. **Recommended motion:** I (Commissioner) move the accept the grant award and terms from the Nevada Secretary of State in the amount of $15,939.93 for the purpose of elections security.

3. **Prepared by:** Vanessa Stephens and James Deane

   Department: Elections and IT **Telephone:** 775-847-0969

4. **Staff summary:** The Nevada Secretary of State is administering grant funds received from the US Election Assistance Commission for the purpose of enhanced election security. Storey County has applied for and received approval for funds in the amount of $15,939.93. The security enhancements and expenditure of funds must be completed prior to receiving reimbursement from the Secretary of State's Office.

5. **Supporting materials:** Notice of Subaward and Letter of Intent

6. **Fiscal impact:**

   Funds Available: Yes Fund: 001-102-53015 ____ Comptroller

7. **Legal review required:**

   ____ District Attorney

8. **Reviewed by**:

   ____ Department Head Department Name: Commissioner's Office

   ____ County Manager Other agency review: _____

9. **Board action:**

   [ ] Approved [ ] Approved with Modifications
   [ ] Denied [ ] Continued

Agenda Item No. 18

Agency Ref. #: 90.404-0016
Appr Unit: 105116
GL: 8515
Job Number: 9040418

State of Nevada
Office of the Secretary of State
(hereinafter referred to as the Department)

NOTICE OF SUBAWARD

Program Name:
FFY2018 HAVA Election Security
Ashley Griffitts – dalas@sos.nv.gov
775-684-5738

Subrecipient's Name:
Vanessa Stephens
vstephens@storeycounty.org
(775) 847-0967

Address:
101 N. Carson Street, Suite 3
Carson City, NV 89701

Address:
26 B St, r, Virginia City, NV 89440

Subaward Period:
7/1/2020 To 6/30/2021

Subrecipient's:
EIN: 88-6000134
Vendor #: T80054670
Dun & Bradstreet: 073794968

Purpose of Award: Elections Segregation & MFA Prototype Project

Region(s) to be served: ☐ Statewide ☒ Specific county or counties: Storey county

Approved Budget Categories:

1. Personnel	
2. Travel	
3. Operating	$1,967.93
4. Equipment	$13,972.00
5. Contractual/Consultant	
6. Training	
7. Other	
TOTAL DIRECT COSTS	$15,939.93
8. Indirect Costs	$0.00
TOTAL APPROVED BUDGET	$15,939.93

FEDERAL AWARD COMPUTATION:

Total Obligated by this Action:	$	$15,939.93
Cumulative Prior Awards this Budget Period:	$	
Total Federal Funds Awarded to Date:	$	0.00
Match Required ☐ Y ☒ N		$15,939.93
Amount Required this Action:	$	0.00
Amount Required Prior Awards:	$	0.00
Total Match Amount Required:	$	0.00

Research and Development (R&D) ☐ Y ☐ N
Federal Budget Period:
03/23/2018 through 03/22/2023
Federal Project Period:
03/23/2018 through 03/22/2023

Source of Funds:	% Funds:	CFDA:	FAIN:	Federal Grant #:	Grant Award Date by Federal Agency:
US Election Assistance Commission 1335 East West Highway – Suite 4300 Silver Spring, MD 20910	100	90.404	n/a	NV18101001	03/23/2018

Agency Approved Indirect Rate: N/A
Subrecipient Approved Indirect Rate: N/A

Terms and Conditions:
In accepting these grant funds, it is understood that:
1. This award is subject to the availability of appropriate funds.
2. Expenditures must comply with any statutory guidelines and the State Administrative Manual.
3. Expenditures must be consistent with the narrative, goals and objectives, and budget as approved and documented
4. Subrecipient must comply with all applicable Federal regulations
5. Financial Status Reports and Requests for Funds must be submitted by [Publish Date], unless specific exceptions are provided in writing by the grant administrator.

Incorporated Documents:
Section A: Grant Conditions and Assurances;
Section B: Description of Services, Scope of Work and Deliverables;
Section C: Budget and Financial Reporting Requirements;
Section D: Request for Reimbursement;
Section E: Audit Information Request;
Section F: Current/Former State Employee Disclaimer;

Name	Signature	Date
Vanessa Stephens Storey county Clerk	Vanessa Stephens	August 20, 2020
Wayne Thorley Deputy Secretary for Elections		8/20/2020

BARBARA K. CEGAVSKE
Secretary of State

GAIL J. ANDERSON
Deputy Secretary for Southern Nevada

MARK A. WLASCHIN
Deputy Secretary for Operations

WAYNE THORLEY
Deputy Secretary for Elections

STATE OF NEVADA

OFFICE OF THE
SECRETARY OF STATE

SCOTT W. ANDERSON
Chief Deputy Secretary of State

ERIN HOUSTON
Deputy Secretary for Securities

KIMBERLEY PERONDI
Deputy Secretary for Commercial Recordings

LETTER OF INTENT

To:	Vanessa Stephens, *Storey County Clerk*, James Deane, *Storey County IT*
From:	Wayne Thorley, *Deputy Secretary for Elections*, Patric Starr, *HAVA ITP II*
Date:	August 20, 2020
Subject:	Elections Isolated & Multifactor Authentication Projects, Storey County

The following is prepared and submitted per multiple conversations that took place Mar 24th and August 11th, 2020, via Zoom, concerning Storey County Election Security measures. The purpose of the meeting was to propose a method of development for the Multifactor Authentication Project (MFA) as well as the separate Isolated and Dedicated Project (ISO).

Multifactor Authentication Project
The MFA Project is an initiative by the Secretary of State's Office for County and SOS offices to have multi-factor authentication as a means to help protect the voter registration data at the local and state levels. Authentication techniques either vary depending on use case and the ability to access/see/manipulate PII data in the systems or directly access data in the databases that store it. All employees, county and state, that have access to voter registration data are required to have multiple authentication points in order to gain access. This project was initiated by the state and should be completed as quickly as possible.

Isolated and Dedicated Project
The Isolated and Dedicated Project (ISO) is another initiative by the Secretary of State's Office where the State will be requiring counties to isolate their elections domain on dedicated networks that are completely isolated from the internet. The State is taking into account that employees must still use email and certain services that may only be available on the world wide web, therefore the concept is evolving to allow for WLANs and Isolated Domains where virtual machines will be the work station an end user logs into, in order to perform work duties in the county VRD.

The State Elections Security Team and Storey County staff held the meeting attended by; Patric Starr – Statewide Voter Registration Systems Lead, Jane Hillerby – Project Manager Election Security, Abdul Mohammed – BPA Election Security, Vanessa Stephens – Storey County Clerk, and James Deane – Storey County IT. The Secretary of State Security Projects Team met with the Storey County team for a few hours in regards to the MFA Project and ISO Project. As a result of the meetings, it was decided that Storey would initiate work for the installation of the MFA Project AND the ISO Project after approval by the County Commissioners to procure the resources needed to complete both projects. The agreement of these meetings, is now presented to the State Elections Deputy, Wayne Thorley for approval. It was also asked by the Storey County Team to include funding from available HAVA funds for use to secure the server room as part of the ISO Project.

I, Wayne Thorley, agree to have the ISO Project go live based on the discussions that occurred so that the MFA Project can be implemented once, correctly. Included is an Estimated Bill of Materials provided by Storey IT staff. The terms of the agreement are that Storey County will procure all needed equipment and resources for the installation and protection of the Elections servers. Reimbursement for Storey County expenses up to $16,000, include procurement of materials, the cost for vendor installation, as well as securing the server rack and server room. The following is the Estimated Bill of Materials:

Estimated Bill of Materials

Name	Quantity	Unit Price	Extended Price
HPE ProLiant DL360 Gen10Server	*1*	*$2,838.14*	*$2,838.14*
HPE SmartMemory	*1*	*$286,27*	*$286,27*
HPE Power supply	*1*	*$151.64*	*$151.64*
HP 2TB 12G SAS	*8*	*$735.91*	*$5,887.28*
HPE Integrated Lights-Out Advanced License + 1 Year 24x7 Support	*1*	*$215.47*	*$215.47*
HPE Server	1	$187.03	$187.03
HPE Mixed Use Solid state drive	1	$1,359.56	$1,359.56
HPE Foundation Care Next Business Day Service Extended service agreement	1	$545.93	$545.93
HP Mobile USB DVDRW Drive	1	$133.16	$133.16
HPE High Performance Fan Kit	1	$245.31	$245.31
HP 1U CMA for Easyinstall Rail	1	$30.38	$30.38
Shipping	1	$45.00	$45.00
Windows Enterprise Upgrade & software assurance	1	$266.85	$266.85
Windows 10 Pro License	1	$155.75	$155.75
WD My Book Hard drive	2	$195.24	$390.48
Microsoft Windows Server 2019 Standard License	1	$783.93	$783.93
VMware vSphere Standard	1	$956.75	$956.75
VMware Support and Subscription Basic Technical support	1	$277.95	$277.95
Veeam Backup & Replication Enterprise for Vmware	1	$1,469.32	$1,469.32
		Total:	$15,939.93

The agreement is to include the network flowcharts and similar documentation by Storey County so that the State may create a generalized comprehensive manual of network designs for which Nevada operates. The need for the SOS and County teams to collaborate on the process is critical to the completion of the MFA and ISO Projects. The majority of counties are implementing ISO before MFA to alleviate double work. It is up to Storey County how they implement, as long as MFA is implemented as soon as possible, and the State only incurs the cost of MFA implementation once.

This letter is written as a letter of intent from the Secretary of State's Office to enable Storey County to make purchases for the MFA/ISO Projects and may be used in lieu of an Interlocal Agreement to present to the County Commissioners.

Thank you,

Wayne Thorley
Deputy Secretary of State for Elections
Office of Nevada Secretary of State Barbara K. Cegavske
101 North Carson Street, Suite 3
Carson City, NV 89701
Office: (775) 684-5720
Cell: (775) 230-8688
wthorley@sos.nv.gov

Storey County Board of County Commissioners
Agenda Action Report

Meeting date: 09-01-2020 **Estimate of time required:** 0 - 5

Agenda: Consent [ ] Regular agenda [X] Public hearing required [ ]

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1. **Title:** Business License Second Readings -- Approval

2. **Recommended motion:** Approval

3. **Prepared by:** Ashley Mead

   Department: Community Development **Telephone:** 847-0966

4. **Staff summary:** Second readings of submitted business license applications are normally approved unless, for various reasons, requested to be continued to the next meeting. A follow-up letter noting those to be continued or approved will be submitted prior to the Commission Meeting. The business licenses are then printed and mailed to the new business license holder.

5. **Supporting materials:** See attached Agenda Letter

6. **Fiscal impact:**

   Funds Available: Fund: ____ Comptroller

7. **Legal review required:**

   ____ District Attorney

8. **Reviewed by:**

   __X__ Department Head Department Name: Community Development

   ____ County Manager Other agency review: _____

9. **Board action:**

   [ ] Approved [ ] Approved with Modifications

   [ ] Denied [ ] Continued

Agenda Item No. 19

Storey County Community Development

110 Toll Road ~ Gold Hill Divide
P O Box 526 ~ Virginia City NV 89440

(775) 847-0966 ~ Fax (775) 847-0935
CommunityDevelopment@storeycounty.org

To: Vanessa Stephens, Clerk's office
Austin Osborne, County Manager

August 24, 2020
Via Email

Fr: Ashley Mead

Please add the following item(s) to the **September 1, 2020** COMMISSIONERS Consent Agenda:

LICENSING BOARD
SECOND READINGS:

A. **AECOM Design, A Professional Corp.** – Professional / 8985 S. Eastern Ave Ste 130 ~ Las Vegas, NV
B. **Atlas Land Development, LLC** – Contractor / 4363 S. Jumbo Way ~ Carson City, NV
C. **Jimmy's LLC** – Out of County / 3475 Ormsby Ln. ~ Washoe Valley, NV
D. **Road and Highway Builders, LLC** – Contractor / 950 E. Mustang Rd. ~ Sparks, NV
E. **Tenaska Power Services Co** – Out of County / 300 E. John Carpenter Freeway Ste 1100 ~ Irving, TX

Ec: Community Development
Commissioner's Office
Planning Department
Comptroller's Office
Sheriff's Office