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1 got to see it to appreciate it.
 2 MR. CACIOPPO: I know. I can-- If you call me,
 3 I'll show up.
 4 CHAIRMAN WALLING: It's well documented through
 5 video and video photography, still photography. And
 6 increasing the flow, how is that going to work? That
 7 increased flow attempts to enter the flooding Truckee
 8 River. How does that work?
 9 MR. CACIOPPO: Well, what happens right now is the
 10 water that's trying to come down from the watershed,
 11 we're saying right now it's about a little over 16,000
 12 CFS. When that peak flow starts coming down the hill,
 13 it's coming through the Long Valley Creek, obviously
 14 flooding Lockwood and doing those kinds of things, but
 15 it's experiencing additional problems in that even
 16 though the creek itself can handle, say, 8500 CFS, it's
 17 hitting those culverts and the restricted portion of
 18 the creek just before it gets to the river and starts
 19 backing up at that point. We haven't looked at--
 20 CHAIRMAN WALLING: The backup, sir, is the level of
 21 the Truckee River.
 22 MR. CACIOPPO: The Truckee River rises and that, of
 23 course, creates some issues, but part of the issue is
 24 before it even gets to the river.
 25 CHAIRMAN WALLING: Thank you. I appreciate it.

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1 County commissioners, questions of the hydrology
 2 man.
 3 COMMISSIONER MAHOLLAND: Yes, I do have one just a
 4 little concern about trying to do any detention types
 5 of activities downstream of the project developments.
 6 It's just always a scary proposition for me. I do
 7 think it's-- I'm glad to hear that you're interested in
 8 removing some of the restrictions. That would I think
 9 do a lot right there in and of itself, but I would have
 10 concerns about doing anything kind of midstream, so to
 11 speak.
 12 MR. CACIOPPO: The reason I brought that up is the
 13 project site itself is-- I'm not sure which map to
 14 look at, so I won't try to find it. But it's fairly
 15 high up in the watershed, not all the way up there.
 16 There's area of the watershed further up than
 17 Cordevista that passes through Cordevista, and all of
 18 that is obviously detainable, but there's a strip of
 19 land between Cordevista and Lockwood down below that
 20 physically trying to detain that higher up in the
 21 watershed, you know, without being real creative would
 22 be a difficult task. And that's why I brought that up
 23 as a possibility.
 24 COMMISSIONER OSBORNE: If I'm correct, that area
 25 that you're talking about between Cordevista and here

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1 is very steep canyons that go up hundreds of feet. So
 2 are you talking about building like a concrete damn or
 3 something that would be a serious project in itself
 4 that would involve many different entities, including
 5 federal government, is this what you're talking of
 6 possibly doing?
 7 MR. CACIOPPO: That's not what I'm talking about at
 8 this stage. I haven't in all honesty contemplated
 9 doing something like that. What I'm talking about is
 10 just as you get out of the steep part of the canyons,
 11 say where the-- and others could probably speak to this
 12 a little bit better, but in the area like where on the
 13 map where it shows the landfill, just below that, it
 14 kind of flattens out, comes around the bend and
 15 flattens out a little bit before you get to Lockwood.
 16 That's where conceptually I'm thinking, you know,
 17 something could be done without getting folks like the
 18 Corps involved and making it a real big project.
 19 MR. SMITH: And if I can just add. I really--
 20 listening to this, what I want to make sure is it's our
 21 belief through the professionals that we can retain on
 22 the 8,000 acres a substantial amount, not even going
 23 into Long Valley necessarily, and changing out these
 24 conduits, that that should solve it. What he's talking
 25 about is if we find out that doesn't solve it, the next

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1 level would be to go down into Long Valley and build
 2 something into there, but we believe from everything
 3 that we're seeing that taking these conduits out and
 4 retaining on our site is enough to stop this from
 5 occurring up here.
 6 CHAIRMAN WALLING: Who would be building this
 7 bridge?
 8 MR. SMITH: We would take that responsibility.
 9 CHAIRMAN WALLING: Thank you.
 10 MR. HAYMORE: Mr. Chairman.
 11 CHAIRMAN WALLING: Yes.
 12 MR. HAYMORE: They are very correct on what we call
 13 pinchpoints and the FEMA flood maps and everything
 14 else. In '95 we had a bad flood here, the firehouse
 15 had two feet of water. Right across from the firehouse
 16 we had four feet of water running across Canyon Way.
 17 And when we started pulling those culverts out and
 18 putting the railroad car bridges in and the same
 19 culverts that were down here blew out, that reduced the
 20 flows.
 21 We did the studies and we knew 1900 cubic feet per
 22 second could go into the Truckee. Here we can have
 23 4100 cubic feet if this restriction goes in. And we
 24 actually asked FEMA, the Corps of Engineers, to do a
 25 study. I hate to tell you this, folks, we looked at a

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1 bridge and it was cheaper to replace every house in
 2 Rainbow Bend than it was to build a damn, excuse me, a
 3 damn upstream.
 4 We looked at building a damn up there at C-Mix for
 5 all that aggregate and the-- you have to have a cost
 6 ratio to look at it. And after they did the cost
 7 ratio, it was easier to wipe out the community than it
 8 was to build the damn, unfortunately. And that's how
 9 the Corps looks at it. And Dennis and Shirley and
 10 Connie have been very involved in the floods. As I've
 11 been saying for five years, don't send your water down
 12 here because you're building concrete up there. And
 13 we've been fighting that and Dennis, Shirley and Connie
 14 have been doing a good job representing the county.
 15 CHAIRMAN WALLING: Further questions?
 16 COMMISSIONER PRATER: Okay. My second question--
 17 You can take a break, Joe.
 18 MR. SMITH: He'll be back.
 19 COMMISSIONER PRATER: This one was a concern of
 20 mine. The project scope states that the 8600-acre
 21 project will be a low intensity development that will
 22 range between one and two dwellings per gross acre.
 23 Based on an assumption of two and a half occupants per
 24 dwelling, the community could ultimately have a
 25 population of 43,000, or more than 10 times the

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1 county's current population. Further, based on your
 2 gross acreage for the development density, the
 3 acquisition of additional undevelopable acreage could
 4 result in more population and increased density in the
 5 developable areas. My opinion, for us to have an
 6 accurate view of the scope and density of the project,
 7 we need to know the proposed maximum number of
 8 dwellings on the developable acreage only.
 9 MR. HAWS: I do like to talk, so in order to be
 10 brief I have written a response that I would like to
 11 read. My name, Greg Haws. I represent the Planning
 12 Center. We're the planning consultants for the
 13 project.
 14 We are not at the stage in the project where we can
 15 give the number of dwelling units on the--
 16 COMMISSIONER HAMMACK: We can't hear you.
 17 MR. SMITH: Greg, you might step forward a little
 18 bit.
 19 MR. HAWS: One handed.
 20 We are not at the stage of the project where we can
 21 give the number of dwelling units on the developable
 22 acreage only. As we continue planning and follow
 23 Storey County's application process--
 24 UNIDENTIFIED MALE SPEAKER: Slower.
 25 MR. HAWS: Thank you. Sorry. I don't really like

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1 to read, so I would rather do this without reading.
 2 CHAIRMAN WALLING: Whatever is more comfortable,
 3 sir.
 4 MR. HAWS: I'm going to read it just so that I can
 5 (inaudible)--
 6 CHAIRMAN WALLING: Okay.
 7 MR. HAWS: The issue of density within specific
 8 areas of the project will be resolved, but at this
 9 level of the entitlement process the one to two units
 10 per gross acre is a number that we will not exceed.
 11 The master plan amendment and zone change that was
 12 recently approved for Painted Rock was not required to
 13 provide the information that you have requested from
 14 Cordevista. It is our hope that we would be held to
 15 the same standard.
 16 There are no plans to add acreage. In conjunction
 17 with future phases of the approval process, the
 18 development agreement and, slash, PUD will contain
 19 conditions of approval that will define the maximum
 20 number of units on a specific number of acres. So in
 21 essence the conditions of approval will outline the
 22 maximum number of units on a specific area of acreage.
 23 Did that answer your question?
 24 MR. SMITH: Step two is when you really get to
 25 that.

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1 MR. HAWS: Yes, it is step--
 2 MR. SMITH: I don't mean to interject but, Larry, I
 3 think your question really is answered in step two when
 4 we come back with a land plan and say we're going to
 5 put this many houses here and this many here. At this
 6 level, just the plan amendment and the zone change--
 7 The next level when we come back to you really gives
 8 you that detail of saying we see more house in this
 9 area or in that area.
 10 COMMISSIONER PRATER: Well, my concern is that once
 11 we do make this-- if we approve the change in the
 12 zoning and the master plan, we've opened the door and--
 13 MR. SMITH: You've opened it to step two.
 14 COMMISSIONER PRATER: True.
 15 MR. SMITH: But step two has a stop in it also,
 16 that you may not approve the PUD.
 17 COMMISSIONER PRATER: Okay. I see what you're
 18 saying is that we could set limits on the density with
 19 the PUD at that point.
 20 MR. SMITH: Absolutely. That's really when you do
 21 it is at the PUD level when we come in and show you
 22 those land plans and everything. You're saying yes, we
 23 agree with this over here or we don't like that, take
 24 that out or we won't approve it. That's the next
 25 level. And that's really--

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1 This is just a macro change, but there again, the
 2 PUD is where you as the planning commissioners and the
 3 County commissioners will look at it in a much finer
 4 detail and say we like it or we don't like it and we'll
 5 approve it or we won't approve it. So just approving
 6 the master plan amendment does not ensure that the
 7 development will ever occur. You will review it two
 8 more times before that's approved.

9 COMMISSIONER PRATER: Yeah. The concern is,
 10 though, that if we're too broad at this point we can
 11 open the door to where down the road, say it doesn't
 12 work for you, you sell the property to somebody else,
 13 something like that, and then they have even bigger
 14 plans, that sort of thing that-- Well, go ahead.

15 MR. SMITH: And I understand what you're saying.
 16 Those are the-- We continue to try and put conditions.
 17 We're offering conditions to you to say we will approve
 18 this master plan amendment subject to this. And I
 19 think your question is saying: Hey, what is the
 20 maximum dwelling units? We are saying the maximum
 21 dwelling units that we will have would be two units per
 22 acre in gross. That would be the maximum. And so that
 23 would be a condition of approval that we would ask you
 24 to put on.

25 Now, when we come back, we could never go beyond

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1 that. And where we put them within the community you
 2 would see in the PUD at that point and say yes, we like
 3 that or we don't like that, but the condition of
 4 approval at this macro big level could be put on us as
 5 far as saying you cannot exceed this many units in
 6 here. And the detail would be delivered at the next
 7 step.

8 COMMISSIONER PRATER: Okay. On the basis of that,
 9 you're saying a range of one to two is a possibility
 10 that you could accept as a condition at this point, the
 11 lower limit of one unit per acre?

12 MR. SMITH: Put me on the spot.

13 MR. HAYMORE: Larry, let me-- And I'm not going to
 14 preside, but there's a lot of things that have to
 15 happen to get to that, because we have to have a fiscal
 16 analysis and everything else the county has to look at.
 17 It's got to be so it's affordable where they can build
 18 it and it's not a burden on the county. So there's a
 19 lot of steps that go in to figure that.

20 What I'm hearing from the applicant now is not one
 21 but no more than two on 8,600 acres. With that is a
 22 mixed use, there's a lot of things that go with that
 23 that at the PUD, having to come back-- And you guys
 24 have put a lot of hours in. Believe me, I've put
 25 hundreds of hours in with this, talking with the

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1 applicant and making sure they know the ground rules
 2 and making sure what their limits are and everything
 3 else. And a lot of that goes into where you have
 4 cluster developments and things like that, open space
 5 and how it's built.

6 I think what I'm hearing the applicant-- I'm not
 7 going to put it in his words, that he says he won't
 8 build more than two per acre. That's 8,600 times two.
 9 So you know that at this point. But he is correct,
 10 once you get to the planned unit development you really
 11 get into more technical. When you get into the
 12 tentative map you really get into the technical,
 13 because they have to have the water rights and
 14 everything else to support that. The road system, the
 15 traffic counts, all those things have to be-- There's
 16 a whole list of those 26 items that I have to make sure
 17 they address to meet the requirements of the NRS, our
 18 county codes and just pure plain good planning.

19 COMMISSIONER PRATER: Okay. I'm not going to put
 20 you on the spot tonight then.

21 MR. SMITH: Well, no. And let me address it. One
 22 of the reasons why I'm hesitant-- I'm very comfortable
 23 saying two units per acre on the gross. The reason I'm
 24 hesitant is if you look at what we're trying to fulfill
 25 is some of the housing within the industrial park. I

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1 think we've talked about getting obtainable housing for
 2 those people that are working in there. What that
 3 means is typically that you build a smaller home on a
 4 smaller lot that we talked about in the last meeting.
 5 That may mean we want to put some of those units in
 6 there and it might come out to be 1.2 units per acre.

7 If you come to our project in Somerset, we're
 8 about 1.3 units per acre. We're not one that tries to
 9 maximize and build a sea of homes. We try and build a
 10 nice community, and that leads into the park systems
 11 and the open space. That's why we're very comfortable
 12 saying 40 percent of the project would stay open. If
 13 we wanted to maximize it, believe me, we could put huge
 14 density on this type of flat land, tens to twenties
 15 multiples.

16 And so our proposal in current standards is a very,
 17 very low density of one to two units per acre. That's
 18 extremely-- that's a very low-- it's almost
 19 underutilization of the land if you really looked at
 20 it. And so if you can understand why we're hesitant on
 21 saying-- I'm very comfortable saying two acres per
 22 unit, but to say less than that would be difficult for
 23 us tonight.

24 COMMISSIONER HAMMACK: Mr. Chairman, that raises a
 25 question, if I may ask a question.

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1 CHAIRMAN WALLING: Sure.
 2 COMMISSIONER HAMMACK: Mr. Chairman, the question
 3 this raises is when we're talking about the PUD level,
 4 if we get to a PUD level, can we then legally put
 5 limits on making them phase in the project, say a
 6 thousand acres at a time and the specific number of
 7 houses at a time? I mean, I don't know what kind of
 8 restrictions we are allowed to put in at the PUD level.
 9 If we can get a legal answer on that or something.
 10 CHAIRMAN WALLING: Dean.
 11 MR. HAYMORE: Everybody can hear me, can't they?
 12 I've already told the applicant numerous times that
 13 it's too big for Storey County to take the whole apple,
 14 we need to take it one slice at a time and that I
 15 recommended that if this went forward that we would
 16 phase it. They would have to come back in that fiscal
 17 analysis and where that phase is and where it starts,
 18 because they have hundreds of millions of dollars of
 19 infrastructure before one rooftop goes up, that they
 20 have to come in there and tell us where they want to
 21 start. Yeah, I would love to see a thousand acres. If
 22 you do it in a four phase, you're talking 2500 acres at
 23 a pop, and then they go in and look at that and-- but
 24 for him to do it right and to-- No ifs, ands, buts,
 25 it's money, people. To get the investments and the

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1 backers to come in and put a half a billion dollars in
 2 this, they have to know that they can do the whole
 3 8600 acres.
 4 You can put a stipulation that says, okay, come in
 5 here for the first phase, show us what you want to do,
 6 make the deal on how many houses are going to go in
 7 there, make a time limit, five years, seven and a half
 8 years or whatever, and see, let them prove to Storey
 9 County that they are a good neighbor, that they are a
 10 good partner with Storey County and come in and do
 11 that.
 12 And I've told Blake that numerous times, come in,
 13 go back, I would tell him tonight, go back, figure out
 14 the first phase, come back and talk to us, instead of
 15 3400 people, the first phase would be so many of these
 16 houses and you could start there. You don't build the
 17 infrastructure when he has 11 sections or 16 sections,
 18 you don't build the infrastructure from the front to
 19 the back, you go from the front door and you work your
 20 way back.
 21 MR. SMITH: And I will just acknowledge that, that
 22 that is something-- and, Lydia, that would be
 23 something-- We couldn't commit tonight, because that
 24 would be a PUD level again, because we need to run the
 25 economics and see what the infrastructure is and how

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1 many homes. And at that point we could step back and
 2 say, yes, if we can have the area approved in total
 3 like you're saying, then we would go to a phasing and
 4 we would proposal that.
 5 COMMISSIONER HAMMACK: But what I'm trying to find
 6 out is if in this level where we're at now if we can
 7 put like Dean said a stipulation on that would require
 8 when you come back at a PUD level that we would phase
 9 it. Is there any legality issue in not being--
 10 MR. HAYMORE: What you're going to say is that-- if
 11 you approve a master plan amendment, that gives them
 12 the next step to come in for the PUD. At the PUD you
 13 come back with what you're going to phase in. You
 14 might have a PUD for 8600 acres that gives him-- allows
 15 him to build that first phase. Come in and design the
 16 first phase and then let's go talk the second phase.
 17 Because technology is going to change, economy is going
 18 to change, everything is--
 19 Folks, you've seen more things change in your
 20 lifetime. I have, too. We don't know what's going to
 21 happen in ten years. If you asked me seven years ago
 22 that T.R.I. was going to be built out in seven years,
 23 first phase, I'd say you're crazy. Now I'm dying,
 24 because I can't stay up with it. I can't believe it.
 25 And so first-- Actually in three years they sold out

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1 25 years of what we planned for. And that can happen
 2 here, too. And so proper and good planning and checks
 3 and balances have to be put in place.
 4 MR. SMITH: I think-- To take the mystery out of
 5 it, yes, we would take that stipulation that at the PUD
 6 level as long as we were able to work with you as far
 7 as the economics and the infrastructure and those
 8 things, we would work with staff to come back with a
 9 proposal that we would accept some kind of phasing
 10 within that proposal to answer that for you.
 11 MR. HAYMORE: And we have to do that just to be
 12 able to provide the services for Storey County. We're
 13 growing so fast just for the services for T.R.I. and
 14 then throw this-- Painted Rock is right behind my
 15 door. They're starting to talk, Painted Rock is
 16 coming. Folks, there's other projects coming right
 17 behind the door. We have to look at it as the big
 18 picture also.
 19 MR. HAWS: So to summarize that, an approval here
 20 for a master plan amendment gives us the opportunity to
 21 go do more research and more work. You have total
 22 control on that.
 23 COMMISSIONER PRATER: Okay. Thank you, Greg.
 24 I think this is back in your ballpark, Joe. I got
 25 with one of the engineers with the Truckee Meadows

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1 Water Authority and on the back of an envelope we did a
 2 few scratches about just what it would take to get
 3 water up to the site. And you saw my numbers. Again,
 4 they're just sketchy and everything, but it is
 5 expensive. I think you probably agree. And my
 6 question was that with the cost of delivering portable
 7 water to the project, will the developer be able to
 8 compete with other developments in the area?
 9 MR. CACIOPPO: For the record, Joe Cacioppo,
 10 Resource Concepts. This will be a lot quicker for me,
 11 because I don't have as much to say. But will it be
 12 able to compete with other developments? We believe it
 13 will be able to. It is an expensive situation to be
 14 in. Mr. Smith is looking at a variety of different
 15 options of how we can provide water, not just how we
 16 can provide it, but we're aware that there's going to
 17 be high infrastructure costs. I mean, there's no
 18 getting around that. We've got to bring water up the
 19 hill. It takes technology to do that. It's all
 20 doable. It comes at a price.
 21 But the benefit here, too, is that the operating
 22 costs of something like this-- we don't anticipate-- in
 23 terms of other developments in northern Nevada, we
 24 don't anticipate this being to that level in terms of
 25 operating expenses. So we feel that even though we

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1 have high infrastructure costs, there's going to be
 2 lower operating costs and the net result--And that's
 3 going to take some homework on our part and whatnot--is
 4 going to be reasonable connection fees and reasonable
 5 rates and whatnot to make this a viable alternative.
 6 There's a lot of coordination that's going to go
 7 into something like this. And I think Blake could talk
 8 about it better than I could, but just to give you a
 9 cursory heads-up, if you will, you know, this doesn't
 10 necessarily-- The developer needs to provide water to
 11 his development and make that work, but there's
 12 potential here for some kind of county solution, you
 13 know, county participation. And when I say
 14 "participation," I don't mean stick the county with the
 15 cost, I mean that there's a lot of dialog that has to
 16 go on.
 17 And in doing something like, this may open the door
 18 for future developments and how do we make all that fit
 19 together and keep it-- you know, keep it affordable for
 20 everybody. You know, obviously he wants to sell houses
 21 and we have to make sure it's affordable for people to
 22 move into a community like that. And we think that's
 23 doable.
 24 To give you hard numbers right now and say this is
 25 exactly how we're going to do it, I can't do that right

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1 now, but I just want to let you know that this is
 2 doable and we feel we can compete with other
 3 developments.
 4 MR. SMITH: You know, and if I can add-- Larry, if
 5 I can give-- because we don't have everything designed
 6 and all, but I can give you some real life examples.
 7 In Somerset we have brought the water over ten miles
 8 away into the project. We built four major pump
 9 systems, we've brought it up about 750 feet from the
 10 river level, multiple water tank systems. It is the
 11 most expensive component in the development is the
 12 water infrastructure. You're on track on cost here.
 13 But it is-- with the economics and the elements of-- or
 14 the economics of it, of spreading it across these
 15 homes, it does become viable. I can tell you from real
 16 life experience from what we're experiencing.
 17 COMMISSIONER PRATER: Okay. Thank you. My next
 18 question is also for Joe. This is: Where will the
 19 development's sewage treatment effluent be discharged?
 20 My concern there is that-- You know, like Virginia
 21 City's goes into Six Mile Canyon, all of Truckee
 22 Meadows', most of the (inaudible) and most of the water
 23 in Steamboat Creek comes from that treatment plant.
 24 And just looking at it, it appears that Long Valley
 25 Creek would be the logical recipient of that flow,

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1 unless there's something else out there that you're
 2 aware of.
 3 MR. CACIOPPO: Well, the sanitary sewer system is--
 4 Again, it goes along with the water in that it's
 5 something we have to look deeper into. But, you know,
 6 we've looked at and discussed some options, you know,
 7 can we take it somewhere, do we treat it on site, how
 8 do we handle this. And the reality is it probably
 9 winds up being some kind of localized system. You
 10 know, to pipe it somewhere else and do, you know, X, Y
 11 and Z with it, it's difficult to say right now, but the
 12 reality I think is that it is some kind of localized
 13 system.
 14 We foresee-- You know, you're going to collect all
 15 of this and you have to treat it somehow before you
 16 either get rid of it or reuse it or whatever you intend
 17 to do. So there's going to be a component of reuse in
 18 it, and it would obviously have to meet, you know,
 19 local and state standards and whatnot, but the idea is
 20 that if we can use-- you know, the term would be, say,
 21 treated effluent or recycled water, there's a lot of
 22 terms out there, that we can reuse some of that, you
 23 know, in the parks, you know, a variety of different
 24 ways. It doesn't obviously become being drinking water
 25 or anything like that. It's reused in an

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1 irrigation-type form at an acceptable level.
 2 So in doing that, you know, we feel that how much
 3 gets discharged somewhere else can get reduced. Again,
 4 I don't have numbers on that right now and how that can
 5 be, but we think at this point it's reasonable to say
 6 that we can treat it. It's going to involve other
 7 issues like, you know, a comprehensive soils
 8 investigation to let us know, you know, which soils in
 9 the land planned areas are compatible and how do we
 10 treat it at that point. So I can't really give you any
 11 more information right now in terms of that. Once we
 12 do more studies as we go up the chain in approval
 13 levels, we can address these things at the appropriate
 14 levels.
 15 MR. HAYMORE: Larry, one of the other things that
 16 I've asked them to look at, and I've asked Painted Rock
 17 to look at, is grey-water systems, new technology out
 18 there. Ninety-five percent of your water, folks, your
 19 shower, your sinks and everything else, five percent is
 20 crap. And so the new technology-- We're asking
 21 T.R.I.-- We got 80 percent recycled going on at T.R.I.
 22 We're asking Painted Rock and we're asking them to look
 23 at the new technology, to have separate lines for
 24 grey-water systems and purple pipe, we call it purple
 25 pipe systems. I'll guarantee you that's going to be a

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1 requirement from me, to look at that, that 80 percent
 2 is reused right there. Yes, it's reused for
 3 landscaping, everything, you can de-cess, de-water.
 4 You're going to start seeing that technology.
 5 I got people out in the Highlands, we're putting
 6 tanks in their daylight basements so they can reuse it.
 7 You can reuse that once, shower, you can refuse it to
 8 the flush the toilet a second time, things like that.
 9 There's a lot of technology, and we need to use
 10 technology availability because of the water problems.
 11 And I've already told them that I'm expecting that.
 12 And Painted Rock knows that, too. I've already talked
 13 to Painted Rock.
 14 MR. SMITH: I was just going to jump in on that,
 15 conservation. It's a natural resource. The state of
 16 Nevada, the driest state in the union. Water in any
 17 use or capacity will be maximized to its extent. But I
 18 think in answering your question, there's really only a
 19 couple of-- well, there's multiple alternatives, but to
 20 answer your question in the simplest form, we would
 21 process it on site I think might answer your question.
 22 The only other alternative would be to pipe it back
 23 to the Reno-Sparks sewage plant which is feasible by
 24 gravity flow, but I think the costs would be overly
 25 extensive. So it would be an on-site plant similar to

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1 what T.R.I. is doing. They're treating it on site,
 2 creating effluent, reusing it. We would do the same
 3 within Cordevista.
 4 COMMISSIONER PRATER: Okay, Joe, I think you're off
 5 the hook then.
 6 MR. CACIOPPO: Thank you.
 7 COMMISSIONER PRATER: Number five, you have pledged
 8 no future access roads to Cordevista through Lockwood
 9 or through the Virginia City Highlands. My concern
 10 there is primarily that once the Cordevista development
 11 gets underway and the county's population starts to
 12 shift over there, the political powers and everything
 13 like that, down the road when those people decide that
 14 they would like a quicker access to I-80, possibly
 15 through Lockwood or a quicker access into Virginia
 16 City, how can you at this point guarantee that those
 17 roads will not be built?
 18 MR. HAWS: Again-- Do I have to state my name
 19 again? Greg Haws, Planning Center. The best tool that
 20 jurisdictions have to police that type of thing long
 21 term is conditions of approval. Conditions of approval
 22 are tied to the land and not the landowner. So even if
 23 the developer goes away, those conditions of approval
 24 stay with the land.
 25 In conjunction with this project, Cordevista will

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1 request that they be conditioned that no roads be built
 2 south of the project connecting their project with
 3 Virginia City Highlands or Virginia City, however, with
 4 the caveat that if the residents of Virginia City or
 5 Virginia City Highlands request that, that would be the
 6 only way that would happen. Cordevista-- the residents
 7 of-- the condition would state that the residents of
 8 Cordevista could never request that. It would have to
 9 come from Virginia City or Virginia City Highlands.
 10 And that can be done--
 11 COMMISSIONER PRATER: This is probably a question
 12 for our legal counsel then. Is that kind of thing
 13 enforceable?
 14 MR. GUNDERSON: Absolutely.
 15 COMMISSIONER PRATER: Okay.
 16 MR. HAYMORE: Now you want to hear the true story?
 17 You're not going to like it, folks. When you do proper
 18 planning, we tie communities together for fire,
 19 sheriff. It just doesn't make sense if we need to come
 20 through and tie it together and everything else. I'll
 21 guarantee you we're going to make them build
 22 firehouses, sheriff houses. We're already working with
 23 Vince down in T.R.I. We had to move the firehouse five
 24 times because you can't get insurance ratings unless we
 25 can have a firehouse within five miles of your

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1 residence. And that means five road miles. There's
 2 going to be five miles in between you, but when there's
 3 a fire out there--
 4 And, folks, I drove it. Go out on Rocky Road. The
 5 ten acres and stuff are putting in roads way back there
 6 to open up the land and things. And I'm not going to
 7 sit here and not tell you that we're going to look at
 8 it. And, yeah, you can put a stipulation, and legal is
 9 right, and it needs to come from your community if you
 10 don't want roads there and stuff, but if you have a
 11 fire and can't get out, where are we going to push it?
 12 We're going to push you out Lousetown, we're going to
 13 push you out Long Valley.
 14 Why has the road not been built now? The State of
 15 Nevada and the United States could not build a road
 16 because it's too expensive there. Where the road makes
 17 more feasibility is to go Long Valley or the pole line,
 18 to go that way. But, folks, I got to look at
 19 everything. I got to look at reasonable. Blake tells
 20 me he doesn't want to build a road and I says, you
 21 know, county commissioners don't want it, that's fine,
 22 but we're going to look at all the different options.
 23 MR. SMITH: Well, and I think, Dean, from that
 24 standpoint, there would never be any opposition from
 25 our standpoint for life safety purposes. And I want to

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1 clarify what you're saying. When a fire happens or
 2 something else, how you typically handle that is you
 3 put a condition that there's no daily traffic or
 4 anything like that, but you put a gate on it for
 5 emergency access so that the fire department can break
 6 through it or open the gate, people could be rushed
 7 through the Highlands out, but it's not a road that you
 8 would travel daily.
 9 That's something we've talked about with Lockwood
 10 here. And that's where-- it's actually come back to us
 11 from a lot of citizens in Lockwood saying actually
 12 let's look at it, because maybe we do want daily flow
 13 traffic for the schools and all that.
 14 But as far as the southern one, I think-- And
 15 thank you for the clarity on it. We would condition
 16 ourselves. Now, if the county wanted emergency access
 17 and other things, obviously we're going to be open to
 18 that. You have the ability to override anything that
 19 we put on the property from the government standpoint,
 20 so--
 21 MR. HAYMORE: And he's correct. As every one of
 22 you guys know, at the Highlands when we make you put
 23 access and grades and everything-- Basically what a
 24 secondary access road to the fire department is is a
 25 16-foot-- 20-foot wide, but it's 16 actually, with

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1 number two road base on it that will withstand a
 2 50,000-pound brush truck. And that's what we like to
 3 have so we can get out there to fight the fires in the
 4 Highlands on the back side of the petroglyphs. I'm not
 5 speaking for the fire chief, and don't misquote me,
 6 just we got to plan for your protection, your quality
 7 of life and everybody's out there. And so I'm not
 8 going to say that we're going to make him put it in.
 9 There are already roads out there right through his
 10 property.
 11 You know how to get to the petroglyphs. They're
 12 the best petroglyphs in the world if you ask me, and we
 13 haven't been able to protect them. But we are talking
 14 about fire access just like we have now that he's
 15 agreed right back here three miles, big gates on it,
 16 the fire department has the key and if they need to get
 17 up there, they get up there.
 18 COMMISSIONER PRATER: Any other questions relative
 19 to roads?
 20 Okay. My sixth concern was the argument that
 21 Cordevista is required to provide a residential balance
 22 to the rapid commercial and industrial growth of the
 23 T.R.I. park and that good planning practices require
 24 such a balance. One of the concerns, though, that I
 25 kind of have is that-- we've said it several times

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1 here, that T.R.I. is developing well beyond or much
 2 quicker than anyone had anticipated and there doesn't
 3 seem to be major concern by the companies going in
 4 there that there is no adjacent housing or housing
 5 within Storey County for an employee base. They seem
 6 to acknowledge that the Truckee Meadows, Fernley,
 7 Silver Springs provide the employee bases. And most of
 8 these companies, they do their homework before they do
 9 a relocation or development of this nature.
 10 To date just recently we recently received a letter
 11 from Trammell Crow who I guess has done quite a bit of
 12 the development out there, but they're the only one
 13 that I'm aware of. And so the kind of concern is that
 14 is this really necessary as a benefit to T.R.I., and I
 15 wonder if you could clarify that.
 16 MR. HAWS: Greg Haws, Planning Center. To respond
 17 to your question, I personally have made several phone
 18 calls this past week and spoken with many of the
 19 business owners and managers of operations over at
 20 T.R.I., and they have expressed a concern that they are
 21 having a difficulty finding people who want to commute
 22 that far and that that is becoming a growing issue. I
 23 got verbal commitments from many of them that they
 24 would be willing to write letters of support of the
 25 project that state that they are concerned with the

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1 growing difficulty of finding housing in close
 2 proximity of the project.
 3 How many have we received to this point?
 4 They will be coming.
 5 MR. SMITH: We've talked to a couple of them. I
 6 think their concerns-- Well, you've just expressed it,
 7 that the commute times, other items to it, will impact
 8 their abilities to hire out there. We've also heard
 9 from the other adjacent communities who are saying how
 10 do we handle all this traffic and everything if
 11 everyone is commuting back and forth through Interstate
 12 80. And so there are some local issues and some
 13 regional issues that we've tried to address always in
 14 here. But I think the T.R.I. Park is-- I can't
 15 describe it. It is phenomenal and it's the greatest--
 16 one of the greatest things in Storey County. And it--
 17 in our opinion, and we're seeing from some of the
 18 tenants, it is a need for some type of balance,
 19 something closer that they can get the housing and the
 20 public services and the retail to help service that.
 21 CHAIRMAN WALLING: Gentlemen, at this juncture I do
 22 want to make a statement of policy here. Any letters,
 23 e-mails, transcriptions on this issue, pro or
 24 otherwise, will-- are made part of the record along
 25 with petitions and such and will be-- which they are

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1 public documents and can be viewed by anybody. I would
 2 like to say once again, yes, your letters, your
 3 petitions will be with us, I guarantee it, and
 4 respected and they will not go away, I guarantee you.
 5 Thank you.
 6 MR. HAWS: Can I just add one more thing? You
 7 posed a very good question about sound planning
 8 practices and who they are good for. I've had the
 9 privilege of working on many, many large projects
 10 around the country and on both sides of the table.
 11 I've represented prior developers and at the same time
 12 had the privilege of representing government agencies
 13 and counties and cities through their general plans,
 14 through master plans.
 15 And as I thought about this question--It's a very
 16 good question--I thought perhaps the best way to answer
 17 this question is maybe the converse. Inbalance is bad
 18 for home. As we've worked around the country, the two
 19 primary issues that we run into are energy and quality
 20 of life. With the energy prices that are skyrocketing
 21 right now, commute distances become very, very
 22 critical. The quality of life, there have been
 23 hundreds of surveys done in the last 20 years about
 24 quality of life and what constitutes quality of life.
 25 The primary factor in establishing your quality of life

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1 is how much time you spend in your car going to work.
 2 And so to answer your question of imbalance, most
 3 communities suffer from the converse of what you have.
 4 They don't have jobs. They provide the housing, but
 5 they don't have jobs in close proximity. And it's a
 6 really, really large issue. It's being talked about in
 7 every community across the country. This job/housing
 8 balance is a huge thing, and especially in the face of
 9 rising energy costs. That issue is not going away
 10 anytime soon.
 11 MR. SMITH: Well, and let me just add one other
 12 thing, and it goes back to what we were talking about.
 13 We focused in on the employment and housing and the
 14 balance of that, but I think the project also delivers
 15 some other things that I think the county and the
 16 planning commissioners need to look at. When we talk
 17 about the fact that we can come in and help adjacent
 18 counties-- adjacent communities with resolving flooding
 19 issues, we can come in, we can provide the potential of
 20 water to the communities that don't have water, we're
 21 talking about improved fire access, diversification of
 22 the tax base, working with wildlife habitat and
 23 protection of the wildlife in here, and this board
 24 really goes into, the protection of the petroglyphs
 25 that can't be protected right now, and again, I want to

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1 go back to this community foundation, the ability to
 2 try and raise a half a million dollars of not taxes but
 3 donations to the community every year, those are the
 4 things that I think that you as the commissioners have
 5 to look at and say: Is this a net positive to the
 6 community? And I think that you'll look at it and say
 7 yes, it's actually a huge positive to the community.
 8 COMMISSIONER PRATER: Okay. My final question was
 9 relative to the planning practices and effectively the
 10 zoning. I wasn't involved in the creation of the
 11 master plan that developed-- wound up with the approval
 12 of T.R.I., but I can kind of envision how it occurred
 13 in that you look at the property out there, T.R.I. was
 14 surrounded by gravel pits, power plants, gypsum mine,
 15 relatively undevelopable mountain ranges, that sort of
 16 thing, and one of the things that was right there was
 17 the special industrial T.R.I./Aerojet-- or TRW/Aerojet
 18 property out there. And so to me it makes sense that
 19 T.R.I. was-- the industrial zoning for that was kind of
 20 a logical aspect of that.
 21 Now we're kind of being asked to reverse our
 22 thinking in that and place urban/suburban-type
 23 development that's bounded on three sides by an
 24 industrial park and on the west side the existing
 25 forestry which is very low density. And to me this

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1 kind of smacks of spot zoning which in my understanding
 2 of planning and everything is largely discouraged, so I
 3 would like you to comment on that.
 4 MR. HAWS: Greg Haws from the Planning Center. I
 5 would like to talk about spot zoning. Spot zoning
 6 occurs when-- by definition it's when you're changing a
 7 single piece of land within the context of a single
 8 land zone and it's out of character with its adjacent
 9 zoning. Is that how you understand it?
 10 If you look at the diagram-- Let's see. Let's
 11 go-- let's go third back on the right-hand side, the
 12 one that says Tahoe Reno Industrial Park. You are
 13 correct, we are surrounded on three sides by T.R.I. and
 14 we do share our westerly boundary with forestry which
 15 has some residential uses associated with it. You
 16 could argue that we are (inaudible) between industrial
 17 use on the east and the west, but you could also make
 18 the argument that we are a transition area piece
 19 between low density residential as you move toward a
 20 very vibrant and successful industrial park. We
 21 provide the necessary transition and balance and we are
 22 complementary to that zoning which provides our
 23 context.
 24 (Laughter)
 25 MR. SMITH: Let me say it in a different way. Let

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1 me go to the fourth one there. I think what Greg is
 2 saying-- And he articulated it in the letter. What
 3 he's saying is Virginia Highlands is very low density.
 4 You have one house per 40 acres. We reside between one
 5 house per 40 acres and the largest industrial park in
 6 the world. And so spot zoning is where, as he
 7 articulated in there, if you had a housing neighborhood
 8 and you put a school or something in the middle of it,
 9 that would be a spot zoning, but what you're seeing
 10 here is you have--
 11 And I'm going to go back to the master plan that
 12 says there are three places in the county to develop
 13 going forward, we being one of it that has half of the
 14 developable property in the county right now. But if
 15 you look at the purple map again, you have the
 16 industrial park with heavy industrial, manufacturing,
 17 which is a very intense zoning, you have our property
 18 which we're looking to put into a mid-- actually low
 19 density, because low density-- When we get to one home
 20 per 40 acres, I don't even know how to describe that.
 21 That's beyond low density.
 22 And so the transition area that he was talking
 23 about is going from 40 acres to one to two units per
 24 acre to the industrial park and one of the three
 25 remaining lands that can be developed. It does not--

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1 It is not spot zoning, it's actually a transition
 2 zoning is what he's saying. It's not-- by no means do
 3 we see this as spot zoning. We actually see it as
 4 logical zoning for the remaining lands of one of the
 5 three remaining lands that the county has at this
 6 point.
 7 MR. HAYMORE: Commissioner, can I explain real
 8 quick to everybody? Fortunately or unfortunately, I've
 9 been here 20 years, and I'll give you a real quick
 10 explanation. We wrote a-- we got a planning commission
 11 together, wrote a master plan and did the zoning. In
 12 the master plan it talks about special industrial. The
 13 reason why that got zoned special industrial is because
 14 before I got here-- my second day on the job I red
 15 tagged High Shear. That was the explosion company out
 16 there.
 17 They got a special use permit back in 1986 and they
 18 came to the county commissioners. I asked for a show
 19 cause hearing to have their special use permit removed.
 20 They came to a county commissioners' hearing, said they
 21 wanted to be a good neighbor and that they would comply
 22 with their special use permit and the next day we got
 23 sued. That's how good a neighbor. It took us about
 24 two, three years.
 25 Larry, I don't know if you were a commissioner at

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1 that time, but Virgil was involved in that. And so
 2 after coming out and defining what their special use
 3 permit allowed them to do, in the master plan we
 4 identified that we need to have a special industrial
 5 zone basically to follow their special use permit. And
 6 that's how that got put there.
 7 But at the same time, folks, all but ten acres, and
 8 the 40 acres were forestry zoned, and we came to you
 9 and you said you had to go through, pay your fee, a
 10 hundred bucks, get a special use permit to get to build
 11 your single-family house. You came to us and said:
 12 Rezone it for a state zoning so we can do that. And so
 13 we did that.
 14 We actually created a special zoning for the
 15 Highlands. We created a VCH, one acre, ten acre,
 16 40 acres, we came up with how many horses and dogs.
 17 Unfortunately, we had to talk about dogs. But believe
 18 me, I got dogs at home and they love me and I love
 19 them. As my wife said, I'm not being too good of a dad
 20 to the dogs because I'm gone lately.
 21 But we created that zoning for the Highlands
 22 because that's what you wanted. And we did it for Mark
 23 Twain, we did the same thing for Mark Twain. We
 24 actually came in with this development at Rainbow Bend.
 25 It was a special use permit for a manufactured home,

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1 99-year lease. We came back and made it a planned unit
 2 development so the people could buy their lots
 3 underneath their houses. And we did that for this
 4 community.
 5 We did that for T.R.I. They came to us, and I said
 6 20 years ago when I took the county commissioners and
 7 the planning commissioners out to see where the county
 8 was, I said this is a natural. And they said: Here,
 9 go get a planning commission put together, get a master
 10 plan and zoning and go play with 4,000 acres. And I
 11 was told for 15 years I was stupid and it would never
 12 happen, everybody from Reno, everybody. And now you
 13 see what's happened.
 14 So that's how the special industrial got set out
 15 there is we basically made a zoning to match the master
 16 plan, his special use permit. And believe me, folks, I
 17 put two guys in prison for five years out there and
 18 1.3 million dollars worth of fines. And that's why
 19 they sold it to Aerojet. Aerojet never did anything.
 20 They bought it, turned around and sold it to TRW. TRW
 21 opened it back up. But that's how the zoning happened
 22 with the master plan and that's how we identified it.
 23 Look it, in ten years after our master plan, we were
 24 right on. Now this is changing the master plan quite a
 25 bit. It's changing it. And the whole county complex

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1 is changing.
 2 We got people bought land in Mark Twain, we got
 3 developers in Fernley that are building right up to the
 4 county line. We got developers-- I had to cancel a
 5 meeting today with Washoe County, right up to the
 6 county line below Virginia City of the original
 7 40 acres of the Highlands in Virginia City called the
 8 Golden Project. We have that going on that they want
 9 to come and talk to us, not building in Storey County,
 10 but they want--
 11 Good planning is to talk and be able to
 12 interconnect. So the only way they can get to their
 13 project is out through Castle Peak and that way and we
 14 don't want them going that way. And so we won't let
 15 them go that way. So they have to come in and talk to
 16 us, they got to go to Washoe County. And they got to
 17 tie a system in to go that way. Sorry.
 18 CHAIRMAN WALLING: Thank you.
 19 COMMISSIONER PRATER: Okay. I have one last
 20 question of Greg. Are you a consultant with--
 21 MR. HAWS: I am.
 22 COMMISSIONER PRATER: This probably then is for
 23 Blake really in that I'm sure you're aware, Storey
 24 County does not have the luxury of a planning
 25 department similar to Reno, Sparks, Washoe County, like

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1 that. If this master plan, everything were approved,
 2 would you be willing to pay for the county to hire an
 3 independent planning firm to review for us your
 4 development through the process?
 5 MR. SMITH: That's an easy one. Yes. We do that
 6 currently. In the City of Reno we hire outside
 7 consultants for the city because of the burden that
 8 comes with it. So, yes, that is something that we
 9 would step up and-- Whether you pay additional staff
 10 or you pay an outside company, that needs to be done,
 11 and so it would be done through the fee structure or
 12 whatever, the county would impose those costs on us.
 13 Now, whether you wanted to hire people or if you want
 14 to hire an outside consultant, that would be your
 15 election, but we would be paying those fees to pay for
 16 that, yes.
 17 COMMISSIONER PRATER: Okay.
 18 MR. SMITH: One other thing that we talked about,
 19 Dean, T.R.I. when they went up there, they made a
 20 substantial investment, I don't know what it is, but
 21 it's tens of millions of dollars in buildings up there.
 22 One of the things that we've talked to staff about was
 23 the fact that upon the development level or whatever we
 24 have some office buildings up there that could be
 25 utilized by the county immediately for life safety,

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1 fire, consultants as far as the planning department.
 2 They are professionally built, multi-million-dollar
 3 office buildings on the site right now that we've
 4 mothballed, but they could be reenergized and brought
 5 back on line for the county.
 6 CHAIRMAN WALLING: Folks, I don't know about you
 7 all, but I've been sitting here for two hours. Now,
 8 that does not count the ones in the back that have been
 9 standing. I would like to take a ten-minute recess and
 10 then we'll resume questions and concerns. Thank you.
 11 (A recess was taken.)
 12 CHAIRMAN WALLING: Folks, I would like to-- This
 13 is the end of the recess, please. Thank you. If
 14 you're standing, please return to where you're been
 15 standing. Folks, please return to your seats. If
 16 you've been standing, please return to where you've
 17 been standing. Folks, please. Before we resume with
 18 questioning by the planning commission, Larry, you've
 19 got a question on the petitions that have been
 20 submitted to us.
 21 COMMISSIONER PRATER: Yes. At the end of the
 22 meeting in the Highlands we requested that staff have
 23 our legal counsel look at the petition and give us
 24 guidance as to where to go, the next step. So at this
 25 time I would like to ask Mr. Gunderson to give us some