

Sunny Hills Ranchos

The Big Land Swap

The issue is developing rapidly so I am posting the documents I have found so far.

This is a work in progress.

Jed Margolin

Virginia City Highlands, Nevada

[A. The Setup](#)

[B. Who is Sunny Hills Ranchos ? \(September 3, 2013\)](#)

A. The Setup

1. April 3, 2013 Minutes of the Nevada Senate Committee on Government Affairs, Seventy-Seventh Session [Click here for PDF](#).

The agenda of the meeting was to discuss five bills. One of them was **Senate Bill 272: Provides for the revision of the boundary line between Storey County and Washoe County. (BDR 20-840)**

For an html version of the discussion of SB272, [click here](#).

The Players

The following people testified on SB272:

COMMITTEE MEMBERS:

Senator David R. Parks, Chair

Senator Pete Goicoechea

GUEST LEGISLATORS:

Senator Ben Kieckhefer, Senatorial District No. 16

OTHER PRESENT:

Garrett Gordon, Sunny Hills Ranchos

Vincent Griffith, P.E., President, Reno Engineering Corporation

Greg Hess, Storey County

Bill Sjovangen, Chair, Board of County Commissioners, Storey County

John J. Slaughter, Washoe County Commission

Juanita Cox, Citizens in Action

The first bill discussed was SB272.

After opening the meeting Chairman Senator David R. Parks turned it over to Senator Ben Kieckhefer (Senatorial District No. 16). For a map of Nevada Senatorial District 16 [click here](#).

Storey County is in Senatorial District 17, and we are represented by Nevada Senator James A. Settelmeyer. (He was at the meeting **but did not speak to SB272.**) For a map of Senatorial District 17 [click here](#).

Here are what I think are the highlights.

Senator Ben Kieckhefer (Senatorial District No. 16):

I am proposing an amendment ([Exhibit C](#)) to S.B. 272 prepared by the Legal Division of the Legislative Counsel Bureau. I will refer to proposed Amendment 7897 while testifying on the bill. This piece of legislation was brought to me by a constituent who owns property straddling the Washoe and Storey County boundary line in southeast Washoe County. The owner would like to develop the property in a mixed-use fashion that includes both residential and commercial uses. From a services perspective, it ties into the South Truckee Meadows area in the terms of municipal services. Washoe County would be the appropriate jurisdiction if commercial and residential developments occur on the property.

Following a discussion with representatives from Storey and Washoe Counties, there is some interest in seeing another piece of property move between the two counties that is also reflected in this bill. Senate Bill 272 allows the Board of Commissioners of Storey and Washoe Counties to make the decision regarding a change to their boundary lines. The counties need to reach an agreement and must do so within a couple of years. If the decision is not reached, the change cannot happen. The bill is enveloped in a cloud of neutrality so you should not hear a lot of opposition.

Garrett Gordon (Sunny Hills Ranchos):

Sunny Hills Ranchos, as owner of the piece of property located in Storey County, is requesting the property be moved into Washoe County. I have provided a map ([Exhibit D](#)) called the SB 272 color map. My client owns the property in the bottom left-hand corner of approximately 1,100 acres that we would like to see move into Washoe County. I have provided a second map ([Exhibit E](#)), an existing services map, and you can see the proximity of water infrastructure and sewer within a mile or 2 miles on the Washoe County side of the property; thus it would be more economically feasible to bring this property into Washoe County.

The intent of the bill is to give enabling authority to the counties to make this decision. Currently, Nevada Revised Statutes (NRS) Chapter 243 identifies all county boundaries. The Legislature only has a right to amend those boundaries. The bill gives enabling authority to both pieces of property. They do not come in together; it can be one or the other. If S.B. 272 passes and one of the properties goes before the Washoe County Board of Commissioners and the other property goes before the Storey County Board of Commissioners and this is approved, then the boundary line

adjustments become effective. The properties may come as a package or they may come separately, but it was important to both the Washoe County and Storey County Board of Commissioners that it be an either-or approval and not both.

Referencing the proposed amendment, [Exhibit C](#), section 1 amends the legal description of the Washoe County boundary to add the Sunny Hills property. Section 1.5 amends the legal description of Storey County to include the property in the upper left-hand corner of [Exhibit D](#), which is currently owned by the Tahoe-Reno Industrial Center, LLC. Section 2 confirms that the boundary change will not impact the outstanding obligations of either county unless specifically discharged by that county. Section 3 states the bill is effective upon passage. It was important to both counties that this issue did not continue for years, so a deadline date was set to get this exchange accomplished.

The deadline is June 30, 2015. We have approximately 2 years to obtain approvals from both Washoe and Storey Counties to move the boundary line. Section 3 also includes language that says when section 1 becomes effective, the Washoe County piece would legally be moved upon approval by Storey County and Washoe County. It also says that section 2 would be effective upon approval by Washoe County and Storey County. It was very important to both county boards that the properties be considered separately, voted upon independently and not have to do one without the other.

Chair Parks:

It probably seems strange to change county boundaries, but it has been done in the past when the Clark County and Nye County border was moved for the purposes of a development. The concept is not entirely foreign. There was also a portion of Washoe County moved into Lyon County during a previous Legislative Session. This is a fairly common occurrence given development. Does Washoe County have a condition that it will not provide municipal services beyond its county borders?

Mr. Gordon:

Since that arose as one of the many questions on land use issues, such as water, transportation and access, we thought it was a good idea to move the local government discussion from the Legislature to the county level in order to negotiate those issues.

Vincent Griffith, P.E. (President, Reno Engineering Corporation):

For the past 13 years, we have been the project engineers and project managers for the Tahoe-Reno Industrial Center. I am also the president of the water and sewer company serving the industrial park. The Tahoe-Reno Industrial Center is roughly a 167-square-mile project highlighted in the bottom left-hand corner of [Exhibit D](#). For reference, the City of Reno city limits are roughly 106 square miles and the City of Las Vegas is 136 square miles.

The project has been underway for 13 years. Companies such as Toys “R” Us, PetSmart, Alcoa, James Hardie and others have located in the Park. We have constructed numerous and expensive

state-of-the-art utility infrastructure to serve these Park customers that we have brought from outside the State. Over \$50 million has been invested in the project. The sewer plant cleans 1.2 million gallons per day, and we have four water tanks with storage for over 5 million gallons of water. A tremendous amount of work has been done adjacent to and abutting the property in Washoe County.

We constructed a county complex for police and fire personnel on a portion of the project, so we have police and fire personnel on-site. We have been working with Washoe County staff over the last decade to anticipate the hurdles in bringing this parcel into the development. We found that we are unable to share utilities over county lines, so it makes more sense to adjust the county line.

We have a \$4 million sewer plant that does not distribute water or effluent back to the Truckee River. If we were to stay in Washoe County, we would not be allowed to use the existing sewer plant and would be required to utilize a septic system and a leach field. To put it into perspective, a standard warehouse with 300 employees would be almost 13,000 gallons a day of effluent leaching into the groundwater. For expense and for efficiencies, the proposal of S.B. 272 just makes sense. It is very difficult to provide police and fire services from Washoe County at this location. From an efficiency standpoint, it makes sense to include this property in the adjacent county in order to take advantage of the utilities and infrastructure.

For SB272 as introduced [click here](#).

For SB272 proposed amendment [click here](#).

For SB272 as enrolled [click here](#).

For Exhibit D showing the subject parcels [click here](#).

[JM: Notice that, except for the Sunny Hill Ranchos property, Storey County is blank. Is that what Sunny Hills Ranchos thinks of us? Are we blank because we don't matter?]

For Exhibit E showing the Sunny Hills Ranchos parcel [click here](#).

[JM: In this map we are not blank, but notice the label "Virginia Highlands". Who is that? Is it the Virginia City Highlands (the Ones)? Does it include the Highlands Ranches (the Tens)? What about the 40s? Does Sunny Hills Ranchos know anything about us?]

2. April 5, 2013 Minutes of the Senate Committee on Government Affairs, Seventy-Seventh Session [Click here for PDF](#).

This is where they approved SB272 with the Amendment.

Senate Committee on Government Affairs
April 5, 2013
Page 24

Chair Parks:

The next bill is S.B. 272.

SENATE BILL 272: Provides for the revision of the boundary line between Storey County and Washoe County. (BDR 20-840)

Mr. Guinan:

Senate Bill 272 as sponsored by Senator Ben Kieckhefer was presented to the Committee on April 3. A mock-up of proposed Amendment 7897, making the local governments more comfortable with the bill, is included in the work session document ([Exhibit I](#)).

SENATOR MANENDO MOVED TO AMEND AND DO PASS AS AMENDED S.B. 272.
SENATOR HAMMOND SECONDED THE MOTION.
THE MOTION CARRIED UNANIMOUSLY.

[JM: Senator Settlemeyer, who represents Storey County, wasn't even there.]

3. April 25, 2013 Minutes of the MINUTES OF THE MEETING OF THE ASSEMBLY
COMMITTEE ON GOVERNMENT AFFAIRS
Seventy-Seventh Session

This was a meeting of the Nevada Assembly Committee on Government Affairs. The agenda of the meeting was to discuss several bills. One of them was **Senate Bill 272: Provides for the revision of the boundary line between Storey County and Washoe County. (BDR 20-840)**

For an html version of the discussion of SB272 only, [click here](#). For the minutes for all of the bills discussed [click here](#).

In it, Senator Ben Kieckhefer, Senatorial District No. 16 says:

Before you today is Senate Bill 272 (1st Reprint), which is the product of a conversation I had with a landowner in Storey County who is adjacent to my district. This individual would like to bring the property that he owns into Washoe County from Storey County for the purposes of potential future development. It is property that probably more appropriately fits into the more urban and suburban land use that is afforded in Washoe County's planning right now. I told him I would bring the bill forward. It has been well negotiated to the point where the decision on this would be left to the two governing boards of Washoe County and Storey County.

- .
- .
- .

{Emphasis added}

[JM] I want to know who it was well negotiated by, don't you?

B. Who is Sunny Hills Ranchos? (September 3, 2013)

1. According to the Nevada Secretary of State database (<http://nvsos.gov/sosentitysearch/>) the president of Sunny Hills Ranchos is:

TIEN P ZEE
4001 VIA ORO AVE STE 210
LONG BEACH, CA 90810

Mr. Zee is also the Director.

William Smith is the Secretary and Josephine Daus is the Treasurer. (Robert Koenig was previously the Treasurer.)

For the saved page [click here](#).

2. The Nevada Secretary of State Database shows the Mr. Zee is also the President and Director of Unitex Management Corp. The address is also 4001 Via Oro Ave, Ste 210, Long Beach, CA 90810. William Smith is also the Secretary and Josephine Daus is also the Treasurer.

For the saved page [click here](#).

On June 6, 2013 Sunny Hills Ranchos received a Special Use Permit from the Reno Planning Commission to put in a road.

For the SUP approval recorded with the Washoe County Recorder [click here](#).

The document doesn't say **Reno** Planning Commission, but that is who it is. The SUP application (LDC13-00057) was on the Reno City Planning Commission Agenda for the June 6, 2013 meeting. For the agenda [click here](#).

The Planning Commission sent the good news to:

Unitex Management Corp
P.O. Box 1440
Long Beach, CA 90801

Thus, it can be assumed that Sunny Hills Ranchos and Unitex Management Corp are the same people, namely Mr. Zee.

[JM]

The SUP was for the following road:

The access road covers 18.5 acres of the 276 acre site and is located east of Rio Wrangler Parkway, 1650 feet north of the Rio Wrangler Parkway/Bucephalus Parkway intersection in the Damonte Ranch Residential PUD (Planned Unit Development) zone.

Where is this road going?

Is it for another section of the Damonte Ranch Residential PUD? If it is, is Sunny Hills Ranchos associated in some way with Damonte Ranch Residential PUD? If they are, exactly how are they associated?

Is the road going to the Sunny Hills Ranchos property in Storey County? If it is, it sounds like Mr. Zee is counting his chickens before they are hatched.

Or, maybe he knows something that we don't know.

Maybe this is a done deal and the Storey County Commissioners have already (privately) given it their approval.

If so, then Storey County Commissioner Sjovangen's statements about having a referendum are just for show.

3. There is something interesting in the Washoe County Planning Commission Minutes for January 16, 2007 (for the complete minutes [click here](#));

Barron Caronite, Sierra Land Solutions, LLC, representing the Sunny Hills and Virginia Forties Properties, spoke of the anticipated move of the properties into the City of Reno's jurisdiction. He indicated that should that request be successful, master planning of the areas would ensue.

Is there already a Sunny Hills and/or Virginia Forties in Washoe County or are they talking about the Sunny Hills and/or Virginia Forties in Storey County?

Have they been planning this going back since at least 2007?

4. Here is something interesting from the Minutes of the Reno Planning Commission for Wednesday, August 15, 2007 (for the complete Minutes [click here](#)):

VI. UNFINISHED BUSINESS/PUBLIC HEARINGS

LDC07-00375 (Damonte Ranch Village 10A) – This is a request for a tentative map to develop a 52 lot single family residential subdivision on a ±19.02 acre site located on the east side of Rio

Wrangler Parkway, ±2,500 feet (±.47 miles) north of its intersection with Steamboat Parkway in the SPD (Specific Plan District) zone.

Claudia Hanson – Deputy Director, commented that the matter had been continued due to access issues and suggested that the public hearing go forward and then determine whether the matter should be continued to the September 19, 2007, meeting.

Chair Georgeson opened the public hearing.

Gabriel Wittler – Odyssey Engineering, representing Toll Brothers, concurred with the staff report and conditions noting that the applicant continues to work with and prefers to resolve access and utility issues that bisect the subject site before coming to the Planning Commission for approval.

Fred Turnier – Sierra Land Solution, representing Sunny Hills Ranchos, concurred with Mr. Wittler and the September 19, 2007 date.

Chair Georgeson closed the public hearing.

It was moved by Commissioner Newberg, seconded by Commissioner Foster, to continue Case No. LDC-07-00375 (Damonte Ranch Village 10A until September 19, 2007). The motion carried unanimously.

{Emphasis added}

Fred Turnier of Sierra Land Solution[s] represented Sunny Hills Ranchos. Sadly, Sierra Land Solutions is defunct. [Click Here](#).

What is Fred doing now?

On May 21, 2012 Frederick Turnier became the Director of Community Development for the City of Reno.

I think that means he is the Reno equivalent of our own Dean Haymore. Or, maybe he is their Austin Osborne, **International Man of Mystery and Planning**.

But Fred is **The Man Inside**.

(For the complete Reno press release [click here](#). For just the part about Fred [click here](#).)

5. There are two more relationships to note.

a. Garret Gordon. He represented Sunny Hill Ranchos at the April 3, 2013 meeting of the Nevada Senate Committee on Government Affairs (discussion above).

From the Nevada List of Paid Lobbyists for the 77th Session
(<http://www.leg.state.nv.us/AppCF/Lobbyist/reports/ListLobbyists.cfm?Paid=1>):

Gordon, Garrett
50 W. Liberty St., Ste. 410
Reno, NV 89501 (Phone No) 775-321-3420 (Email) ggordon@lrlaw.com

Garrett is a paid lobbyist for number of organizations. The two that stand out are:

Unitex Management Corp.	Long Beach CA,
Washoe County	Reno NV, 775-328-2000

Unitex Management Corp is Sunny Hills Ranchos. Washoe County is Washoe County.

He represents both of them.

I suppose it's ok as long as Sunny Hills Ranchos and Washoe County have the same interests. Otherwise it could be a troublesome conflict.

Gordon is an attorney at Lewis & Roca (now Lewis Roca Rothgerber). He's not just an attorney, he's a Partner. ([Click here](#))

Because he is an attorney, whatever Sunny Hills Ranchos tells him is protected by attorney-client privilege. And whatever Washoe County tells him is also protected by attorney-client privilege. What a deal. He is a protected conduit.

Garrett Gordon is **The Man Between**.

For the complete list of paid lobbyists for the Nevada 77th session [click here](#). For just Garrett [click here](#).

b. Also from the Nevada List of Paid Lobbyists for the 77th Session (<http://www.leg.state.nv.us/AppCF/Lobbyist/reports/ListLobbyists.cfm?Paid=1>):

Hess, Greg
Box 801
Virginia City, NV 89440

Organizations Represented
Storey County
Storey County School District {sic}

At the April 3, 2013 meeting of the Nevada Senate Committee on Government Affairs (discussion above) he represented Storey County:

Greg Hess (Storey County):

The Storey County Board of County Commissioners had a meeting yesterday, and the vote was to remain neutral on this proposal. The Commissioners like the idea of being able to transfer one or the other properties in or out of Storey County and/or Washoe County. As long as that

language remains in the bill, we are looking forward to moving along with this to allow the counties to make the decisions regarding these two properties.

But in the April 25, 2013 Meeting of the Nevada Assembly Committee on Government Affairs (discussed above) he represented both Storey County and TRI. Note sometimes we means Storey County, sometimes we means TRI. It's not always clear who we is.

Greg "Bum" Hess, representing Storey County:

I am also speaking on behalf of the property owner in TRI, but as a friend, not on any other level. You have this bill in front of you. We are neutral on it from the county commission standpoint but in favor of working with Washoe County in this swap. We think it is going to be a huge economic boom one way or the other, especially with the industrial piece that we have down along the river right next to the nation's largest industrial park. We have 106,000 acres, which is roughly two-thirds of Storey County, that is owned by the TRI partners. This particular piece is in Washoe County. It is separated by a river. We have about \$35 million of infrastructure sitting right at the edge of the river, which will probably not be developed as the land stands in Washoe County because of complications.

We look forward to working with Washoe County and trying to get this into Storey County to create a lot of jobs.

Hess is not listed as a paid lobbyist for TRI, but he is representing them all the same, along with Storey County.

He couldn't do that unless the interests of TRI and Storey County were the same: Make the Land Swap.

The statement that the Storey County Commissioners have taken a "neutral stand" on the land swap is a transparent fiction.

Therefore, Greg "Bum" Hess is **The Transparent Man**.

6. A Google search for: 4001 VIA ORO AVE STE 210 LONG BEACH, CA produces a number of hits.

Here's one: <http://www.insideview.com/directory/intex-recreation-corp>

Intex Recreation Corp.

4001 Via Oro Avenue Suite 210 , Long Beach , CA , 90810 , United States
www.intexcorp.com
Phone: +1 310 549 5400
Revenue: \$98M
Industry: Sporting & Recreational Equipment Retail
Employees: 600
SIC: Sporting Goods And Bicycle Shops (5941)

NAICS: Sporting Goods Stores (451110)

Description: Intex Recreation Corp. engages in designing and producing indoor and outdoor recreation products. It offers above ground swimming pools, such as pools, as well as metal, and rectangular and round ultra frame pools with filter pumps, instructional DVDs for set-up, ladders, ground and pool covers, a surface skimmer for eliminating floating debris, a pool vacuum and skimmer net for pool cleaning, an auto vacuum for pool sweeping, and a salt water pool system. The company also provides camping airbeds are designed for adventures far from home, and home airbeds; pool boats with vinyl, secondary safety chambers, motor mount fittings, and grab ropes; marine boats with rock guards, inflatable seats, and rotating oar locks; inflatable toys, including tubes, swim rings, beach balls, baby floats, swim vests, and arm bands; and swim gear, including goggles, masks, snorkels, and fins for swimmers. It offers its products through stores around the world. Intex Recreation Corp. was founded in 1966 and is based in Long Beach, California.

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The California Secretary of State's online database (<http://kepler.sos.ca.gov/>) does not give as much information as the Nevada Secretary of State's. But it does say:

Entity Name: INTEX RECREATION CORP.
 Entity Number: C0503602
 Date Filed: 01/27/1966
 Status: ACTIVE
 Jurisdiction: CALIFORNIA
 Entity Address: 4001 VIA ORO AVE STE 210
 Entity City, State, Zip: LONG BEACH CA 90810
 Agent for Service of Process: **JOSEPHINE DAUZ**
 Agent Address: 4001 VIA ORO AVE STE 210
 Agent City, State, Zip: LONG BEACH CA 90810

{Emphasis added}

For the saved page [click here](#).

In addition to the same address they share Josephine Daus. Indeed if you go to the California Secretary of State's database <http://kepler.sos.ca.gov/>, in the box for Entity Name type: *Intex*. Then you must select Search Type: *Corporation Name*. (If you don't, it will just sit there like a log.) Then click: *Search*.

There are a number of companies named Intex xxx that contain familiar names:

C0605958	08/25/1970	ACTIVE	INTEX CORP.	
JOSEPHINE DAUZ				
C1226080	09/01/1983	MERGED OUT	INTEX DEVELOPMENT CORP.	W
F SMITH				
C1661721	03/22/1990	ACTIVE	INTEX GROUP	
JOSEPHINE DAUZ				

C1496517	05/02/1991	MERGED OUT	INTEX MANAGEMENT CORP.
WILLIAM F SMITH			
C0603165	07/17/1970	ACTIVE	INTEX PLASTICS CORPORATION
JOSEPHINE DAUZ			
C1496519	05/02/1991	MERGED OUT	INTEX PROPERTIES CORONA FARMS
CORP. WILLIAM F SMITH			
C1436896	05/18/1988	ACTIVE	INTEX PROPERTIES CORP.
JOSEPHINE DAUZ			
C1496521	05/02/1991	ACTIVE	INTEX PROPERTIES INLAND EMPIRE
CORP. JOSEPHINE DAUZ			
C1496522	05/02/1991	MERGED OUT	INTEX PROPERTIES MANAGEMENT CORP.
WILLIAM F SMITH			
C1496520	05/02/1991	ACTIVE	INTEX PROPERTIES PERRIS VALLEY
CORP. JOSEPHINE DAUZ			
C1496518	05/02/1991	ACTIVE	INTEX PROPERTIES SOUTH BAY CORP.
JOSEPHINE DAUZ			
C1618156	06/30/1988	ACTIVE	INTEX REALTY CORP.
JOSEPHINE DAUX			
C0503602	01/27/1966	ACTIVE	INTEX RECREATION CORP.
JOSEPHINE DAUZ			

If you have time you can investigate further by Googling the names of the companies.

So, who is Sunny Hills Ranchos?

Sunny Hills Ranchos is Mr. Tien P. Zee.

Mr. Zee is also Unitex Management Corp. (a Nevada Company).

Mr. Zee is also Intex Recreation Corp (a California company in Long Beach). They sell indoor and outdoor recreation products like above ground swimming pools. You can buy them at Walmart, like this one: <http://www.walmart.com/ip/Intex-24-x-52-Metal-Frame-Swimming-Pool/22061254>

Mr. Zee is also several other Intex xxx companies.

And, finally, a mystery is solved. This is from the Virginia City News report of one of the early Cordevista meetings. It was in the Highlands.

From: <http://virginiacitynews.com/highlands-residents-mobilizing-against-cordevista-development-p425-89.htm>

Although [Blake] Smith said at the Highlands' meeting that he didn't know where the western road would go to, at the meeting on Feb. 24, 2007 in Lockwood, he said it would come out at Damonte Ranch or Double Diamond in south Reno.

The land to the west of the development to the Washoe County line is level enough for development and is owned by a “Mr. Z” (no real name given) and is level enough for development. The westerly road would go through “Mr. Z's” property.

“Mr. Z” was actually {drum roll, pause} Mr. Zee.

Stay tuned for more stuff.

Jed Margolin
Virginia City Highlands, NV
August 10, 2013

9/3/2013