



STATE OF NEVADA

Before the Nevada Commission on Ethics

**In the Matter of the Request
for Opinion concerning
the conduct of JIM GIBBONS,
Governor, State of Nevada,**

Request for Opinion No. 08-37C

Subject. /

INTERVIEW OF WITNESS AND CERTIFICATION

Interview with Jerry C. Whitehead, witness in Request for Opinion 08-37C, conducted at 6121 Lakeside Drive, Reno, NV 895 11.

Friday, August 22, 2008 at 3:00 p.m.

Michel Vavra, (Vavra), Investigator for the Nevada Commission on Ethics.

Jerry Carr Whitehead, (Whitehead), Witness.

Vavra requested permission from Whitehead to record interview, Whitehead agreed.

1 **Vavra:** Can you describe your relationship to Jim Gibbons? How long do you know him?

2 **Whitehead:** I guess, I would say the relationship was very casual. I have met him when I was
3 campaigning, I have been in 2 houses during campaigns where he was present, and I spent an
4 afternoon showing him some property. There may have been other occasions I've talk to him,
5 but I don't recall it at this time.

1 **Vavra:** Do you know approximately...how long you know him?
2 **Whitehead:** Well, I guess I am struggling a little bit with what the phrase knowing means.
3 **Vavra:** Ok, what was the first time you met with him?
4 **Whitehead:** I don't know.
5 **Vavra:** Ok.
6 **Whitehead:** He's been a Congressman for number of years, and he's campaigning. I've met him
7 at a couple of those campaigns, but if I try to be more specific, I may not be giving an accurate
8 answer.
9 **Vavra:** Ok, that's fine. Explain how you come to sell property to Jim Gibbons.
10 **Whitehead:** He called up and ask if I would sell a portion of the ranch.
11 **Vavra:** Ok. Can you describe the transaction? What happened?
12 **Whitehead:** He placed a call to me and I talked to him and...I (unintelligible) some reluctance to
13 do so, but I said I would see if there is a parcel that would make a sense for me and for him. I
14 was not advertising and I did not have any...anything for sale.
15 **Vavra:** How did you determine the sale price?
16 **Whitehead:** I quoted it and he accept it.
17 **Vavra:** Did you discuss any exemption, agricultural exemption...did you discuss anything like
18 that with Jim Gibbons?
19 **Whitehead:** We didn't...certainly not during the sale process. We may have at some time, but
20 my recollection is this conversation took place with John Marvel...and quite frankly, I am
21 certain whether it was with John Marvel or with the Governor.
22 **Vavra:** Ok. Can you describe your relationship to attorney John E. Marvel?
23 **Whitehead:** He's been a friend for number of years...I know him socially through sport activity,
24 I've had dinner with him, and he's represented me on several prior matters to the sale...and this
25 taken place over number of years, perhaps as many as 15, I am not sure.
26 **Vavra:** Do you know how Jim Gibbons come to retain John Marvel?
27 **Whitehead:** Yes.
28 **Vavra:** And...how would that be?
29 **Whitehead:** He was my attorney and he was doing it, and I think that Governor indicated that it
30 will be perfectly ok with him for John to represent both sides of the transaction. To the best of
31 my knowledge, they were not (unintelligible) ever.
32 **Vavra:** Do you know what was the classification of the land before the sale to Jim Gibbons?

1 **Whitehead:** Agricultural use.

2 **Vavra:** Are you currently leasing the property to Jim Gibbons? For what purpose?

3 **Whitehead:** I am sorry, sometimes I have difficulty hearing.

4 **Vavra:** Are you currently leasing the property to Jim Gibbons?

5 **Whitehead:** Yes.

6 **Vavra:** For what purpose?

7 **Whitehead:** Agricultural use.

8 **Vavra:** Is there a written agreement for the lease?

9 **Whitehead:** Yes.

10 **Vavra:** What kind of animals are grazing on Jim Gibbons land?

11 **Whitehead:** Cattle...cows, calves and bulls.

12 **Vavra:** How many in total do you own?...speaking of animals...and I am not looking for exact

13 number.

14 **Whitehead:** And...I can't give you exact number but I can...they came and they go...we buy

15 them, we sell them, they die...but if you just talking in round figure...

16 **Vavra:** Round figure.

17 **Whitehead:** This year it may be something like 500 mother cows, their calves, 30 bulls...they have

18 been summers where we had 1,000. We had steers on...the number is not precise for any year.

19 **Vavra:** I was not looking for for exact number. How do you calculate the fee you pay to Jim

20 Gibbons for grazing, what formula did you use?

21 **Whitehead:** I didn't. I just quoted the price I've be willing to pay and...and he accepted it. And

22 again, I believe when I say I quoted the price, I believe quoted that price to John Marvel. But

23 once again, I am not certain whether...

24 **Vavra:** That's just fine. Ok. Is there anything I didn't ask you would like to add?

25 **Whitehead:** Well, I have obviously read the things in a paper; I don't want to bore you with

26 things you are not interested in...

27 **Vavra:** I am interested in anything...anything you have to say.

28 **Whitehead:** I don't care whether I say anything or not, if I can help people in any way, I would

29 try to do so.I...for example...I read in newspaper that the appraiser said that some of his people

30 were out and there weren't cattle on the property...so, he questioned whether is it for agricultural

31 use. And....can you tell me how much you know about grazing and agricultural use?

1 **Vavra:** Not much, just what I had to learn in last couple of days so, I am not an expert by any
2 means.

3 **Whitehead:** Ok. When we have pastures, we don't put few cattle in every pasture and leave
4 them there for the whole season. What you do, you take a large number of animals and move
5 them through the pasture, graze it off and then move to another pasture so, the grazed off pasture
6 can regrow. Then, you may be back to that pasture multiple times over the year. So, whether
7 anybody was out there and look at it, I have no way of knowing, but it's entirely possible on any
8 of my pastures...not imposibble, it's probable, but... any of the pastures most of the time there
9 would be no cattle on any one pasture. Because of...intentionally you use rotational process of
10 grazing of a ground.

11 **Vavra:** Is Jim Gibbons' property fenced off all around?

12 **Whitehead:** No, see...that was one of the reasons that it was advantageous to me...it's a part of
13 larger (unintelligible) and if I hadn't leased it, I would have to put up new fencing, new
14 irrigation system and the rest, to confirm with the new ownership. As it is, by acquiring it back, I
15 have the...ability not to have to spend any money reconfiguring things and just operate the way
16 it's been...perhaps since 1870's.

17 **Vavra:** So, the animals can go freely from your land to Jim Gibbons' land?

18 **Whitehead:** There is no distinction, because I have the exclusive use of it.

19 **Vavra:** Ok.

20 **Whitehead:** I have the ownership for number of years, and it's being used, and has been used
21 exactly...no different then the way it's been used in time passed.

22 **Vavra:** I have no more questions, unless you have anything to say.

23 **Whitehead:** That's fine.

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25 Interview concluded at 3:15 p.m.

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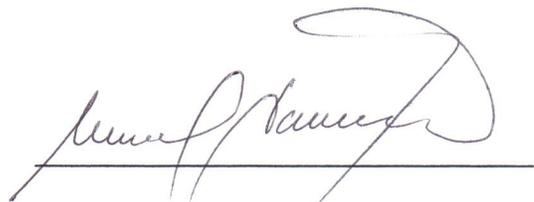
29 Dated: _____

08/29/2008

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Michel Vavra, Investigator

1 **Before the Nevada Commission on Ethics**

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4 **In the Matter of the Request**
5 **for Opinion Concerning**
6 **the Conduct of JIM GIBBONS**
7 **Governor, State of Nevada,**

Request for Opinion No.: 08-37C

8 _____ Subject _____ /
9

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11 **CERTIFICATION**

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13 I, Michel Vavra an Investigator for Nevada Commission on Ethics certify:
14

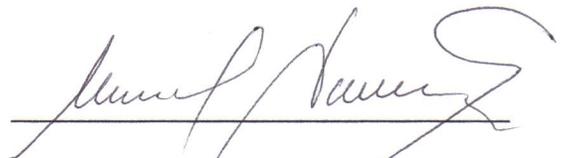
15 That on Friday August 22, 2008, at the hour of 3:00 p.m. of said day at
16 6121 Lakeside Drive in Reno, Nevada, I was present and I conducted an interview with
17 Jerry Carr Whitehead, a witness in Request for Opinion 08-37C.

18 I recorded the interview with Whitehead's permission and thereafter transcribed the same
19 into typewriting as herein appears.

20 The foregoing transcript consisting of pages 1 through 4 inclusive is a full, true and
21 correct transcription of the recording of said interview.
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29 Dated: _____

08/29/2008



Michel Vavra, M.P.A., Investigator

CERTIFICATE OF MAILING

I certify that I am an employee of the Nevada Commission on Ethics and that on this day in Carson City, Nevada, I placed a true and correct copy of the INTERVIEW OF WITNESS AND CERTIFICATION ON RFO#08-37C in an envelope and caused same to be hand delivered via Reno-Carson Messenger to the following:

**Michael A.T. Pagni, Esquire
McDonald Carano Wilson LLP
100 West Liberty Street
10th Floor
Reno, NV 89505-2670**

**The Hon. Jim Gibbons
Governor, State of Nevada
State Capitol
101 N. Carson Street
Carson City, NV 89701**

Dated: _____

Signed: _____

An employee, Nevada Commission on Ethics