



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

1 Interview with Joe Aguirre, witness in Request for Opinion 08-37C, conducted at 571 Idaho
2 Street, Elko, NV 898 01.
3 Thursday, August 21, 2008 at 12:45 p.m.

4

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

6 **Joe Aguirre, (Aguirre)**, Elko County Assessor.

7 **Janet Iribarne, (Iribarne)**, Elko County Assessor's office staff.

8 **Julie Eaklor, (Eaklor)**, Elko County Assessor's office staff.

9

10 Vavra requested permission from Aguirre to record interview, Aguirre agreed.

11 Prior to recording, Aguirre stated that "I did not call it in, it was the Commissioner."

12

13 **Vavra:** What Commissioner?

1 **Aguirre:** Sheri Eklund-Brown, she's the County Commissioner.

2 **Vavra:** Ah, ok.

3 **Aguirre:** She called it...the media and I just...when the media call me, I just told them I will not
4 lie, and I will try to be as truthful as I can, and I try to stick to the subject matter. I think if you
5 listen any of my interviews...

6 **Vavra:** I had, of course.

7 **Aguirre:** I tried to, I tried to [sic] stick as much as I can to the subject matter. They tried to lead
8 me this way, and that way, I tried not to let them. I hope, I hope [sic] I didn't (unintelligible).

9 **Vavra:** And I have lot of question Sir.

10 **Aguirre:** That's just fine.

11 **Vavra:** First, I am going to ask you few questions about you, if you don't mind.

12 **Aguirre:** No, when you become public official, you pretty well...your privacy is pretty well
13 gone.

14 **Vavra:** Here is my card.

15 **Aguirre:** As you can see, I retire next week and I am cleaning out the office. And I am going to
16 give you my personal cell phone.

17 **Vavra:** Ok.

18 **Aguirre:** I am not gonna carry the county anymore so, if you think of any questions feel free to
19 call me.

20 **Vavra:** Ok.

21 **Aguirre:** Leave message if I don't get to it, because there will be some fishing involved, and I
22 may be hard to find, but I will answer.

23 **Vavra:** I guess, I came in the last minute then.

24 **Aguirre:** Yes, it's...actually I turned in my resignation in March...I think it was...but I knew it
25 last November I was gonna...I can't afford not to have those benefits that legislation took away, I
26 have to have them.

27 **Vavra:** So, questions about you: How long have you been working in the Assessor's office?

28 **Aguirre:** Almost 27 years.

29 **Vavra:** How long have you been in the position of Assessor?

30 **Aguirre:** 17, it will be 17 by the end of this year; I will be just short of couple months.

31 **Vavra:** What did you do prior of becoming Assessor?

32 **Aguirre:** I have appraisal license, real estate license, insurance license,...in previous years.

1 **Vavra:** Ok. What is your educational background?

2 **Aguirre:** High school, special high schools, went to one of the Bill Max School of Real Estate,
3 which isn't around anymore and Aetna's school of insurance in Hartford, Connecticut. That's
4 about it.

5 **Vavra:** Do you have any special training relevant to this position?

6 **Aguirre:** Nine and a half years prior experience in real estate and insurance.

7 **Vavra:** Are you licensed appraiser?

8 **Aguirre:** Certified.

9 **Vavra:** Certified?

10 **Aguirre:** I let my license go; there is a difference between the two.

11 **Vavra:** Can you explain?

12 **Aguirre:** Certified is certified tax appraiser. The fee appraiser can go out and do appraisals for
13 mortgage purposes. For tax purposes is done differently, you have to be certified and take
14 different test, I let my...when I took this position, they were starting to do licensing on
15 appraiser's and I didn't ever got licensed.

16 **Vavra:** Ok.

17 **Aguirre:** I was approved in 3 districts with that (unintelligible).

18 **Vavra:** Who does most of the assessments in your office?

19 **Aguirre:** I have crew downstairs, five men...and I got one upstairs..six, I've got six men crew.
20 Up until last year when I decided I was gonna retire, I did all of the ag¹. Now I have two ladies
21 downstairs that I am training, and the goal is to have transition here that nobody even knows that
22 I walked out the door. There will be no vacuum.

23 **Vavra:** OK. Must every assessment in Elko County be approved by you?

24 **Aguirre:** No, I probably don't see 3 or 4 percent of them. They do bring some in...I am
25 responsible for the...they bring (unintelligible).

26 **Vavra:** Who has the authority to approve or disapprove?

27 **Aguirre:** I have an Assistant Assessor.

28 **Vavra:** Ok.

29 **Aguirre:** Before she was my assistant...she's going to be my Assessor...she will be the Assessor
30 in two weeks. Before that, she was a chief Appraiser.

¹ Agricultural Assessment

1 **Vavra:** So, she will be the only person who can approve or disapprove?
2 **Aguirre:** Hm.
3 **Vavra:** So, again, she's got the final say?
4 **Aguirre:** Yes.
5 **Vavra:** Now, can you walk me through the process of receiving the exemption under the
6 Agricultural Assessment use? What are the requirements?
7 **Aguirre:** You would have to file an application, you have to have \$5,000 income, you have to
8 get half of the feed from the property that you are trying to put in the ag, if your exemption is for
9 livestock. I mean, there are other ways to get exemption besides livestock. We have Alpaca
10 growers, they are more farmers, they don't have livestock they just raise Alpaca around here. We
11 don't have anything else and that leads into the 40 acres because our growing season is too short
12 to have (unintelligible). There are areas in the state that you can qualify for this program with 15
13 acres, but they have 120, 125 days growing season. Our is 90 days if you're lucky to get 90 days
14 because we're over 5,000 feet, and it just doesn't increase, just doesn't.
15 **Vavra:** Ok. Can you tell me how many properties out of how many in 2007 received this
16 exemption?
17 **Aguirre:** Let me get started ...they run a file downstairs...let me grab a (unintelligible).
18 **Vavra:** Ok.
19 (Aguirre walking out of the office to get documents, returning in approximately one minute)
20 **Aguirre:** When we go through an area and we check to see if they still qualify, we have...the
21 form to take in...they want to cease the program. That's his file (Aguirre handing over folder
22 with Jim Gibbons' application). This is the file on denials (handing over folder with denied
23 applications).
24 **Vavra:** Ok.
25 **Aguirre:** In the back of this...the total number of ag's.
26 **Vavra:** So, what is the total number of properties that...
27 **Aguirre:** 843.
28 **Vavra:** And 119 got the exemption?
29 **Aguirre:** No, that's the total number of ag parcels, they may be...2 or 3...one owner may have 2
30 or 3 parcels.
31 **Vavra:** So?

1 **Aguirre:** Here's your, here's your [sic] total, I am sorry here is your total number here (referring
2 to data on Elko County Assessor's computer printout Exhibit 2). (unintelligible) worked up this
3 for me, I have to ask her what she meant by all that. According by owners count...oh, that's
4 number of owners.

5 **Vavra:** Ok.

6 **Aguirre:** These are recorded by parcel count in 2008, this is the total number of parcels in
7 ag...count by owners, right here is the total umber...so, in 2008 we have 115 applications and
8 this is, this was...

9 **Vavra:** So, 115 applications, is that...all the approved?

10 **Aguirre:** Let me check, let me, let me [sic] check with that to make sure that I am giving these
11 correct...this is breakdown on values and then from there it goes in to the people that were
12 denied. You are welcomed to go through that file and stuff...I don't know if we're getting
13 close...I ask her what that meant.(Aguirre on the telephone) Janet, send me
14 Julie...(unintelligible). (Aguirre off the telephone).

15 **Vavra:** This is what I need to know: how many properties you got in total, how many got the
16 exemption and how many were denied...if possible.

17 **Aguirre:** Hi there (Janet Iribarne entering Aguirre's office) can I see Julie out here; I am not sure
18 what this meant. The 2008 recorded by parcels count...that breakdown...must be Julie's
19 break...is this you?...ok, can I have...I am not sure...I have Mike...(unintelligible)

20 **Iribarne:** Ok.

21 **Aguirre:** Just a minute she's right here, I have her to make sure we have those right.

22 **Vavra:** Thank you.

23 (Julie Eaklor Entering Aguirre's office)

24 **Aguirre:** This, in 2008 ...843 was what?

25 **Eaklor:** Ok, so far this year all of the letters that I am having people requalify for ag...

26 **Aguirre:** Ah, ok.

27 **Eaklor:** This is the number of parcels that have...so far been requalified in 2008.

28 **Aguirre:** Ok.

29 **Eaklor:** These are by owner, and they're (unintelligible).

30 **Aguirre:** Ok, there was [sic] 115 that requalified this year.

31 **Eaklor:** Yes.

1 **Aguirre:** Ok, that's what we were talking about, all these cessation letters. We are making
2 them...everybody has to requalify...is becoming (unintelligible) on 5 year cycle, we trying to get
3 it clean up, we've been doing that for couple of years.

4 **Vavra:** Ok.

5 **Aguirre:** This is how many... (referring to data on Elko County Assessor's computer printout,
6 Exhibit 2). parcel counts...that's the number of people requalified so far in 2008.

7 **Vavra:** So, the total, total [sic] number is 843, that is total number of parcels right?

8 **Aguirre:** Hm.

9 **Vavra:** 115 qualified?

10 **Aguirre:** Hm...total ag parcels 2688.

11 **Eaklor:** Right.

12 **Aguirre:** Then 400 will be total number of owners.

13 **Eaklor:** Total owners, yes. And the exemption is like... (unintelligible).

14 **Aguirre:** You are all right

15 **Vavra:** So, how many...how many were denied...that would be in that...this file?

16 **Aguirre:** Hm, this is all the denied here. And it's not just 2008, I am sure it's probably 2-3 years,
17 may be even longer, I don't know, because I used to keep a book up here, and when we started
18 going downstairs...ah, the ladies started to organize these things little different than I had it.

19 **Vavra:** So, do we have, do we have [sic] number how many were denied (unintelligible)?

20 **Aguirre:** I can ask if they can find it, I guess we don't look at it that way...you know, it's not
21 like...I don't know how to put it, and I don't want to make it sound like...it's not like we keeping
22 scores. We don't.

23 **Vavra:** I understand, but I got...

24 **Aguirre:** But I see if we can, if somebody can figure out how to do that. You want 2008 or
25 2007?

26 **Vavra:** Ah...7, 7 and 8...

27 **Aguirre:** Let me ask them.

28 **Vavra:** Because I am looking at it... it's 2007, 2003, it's all...

29 **Aguirre:** All jumbled up?

30 **Vavra:** Yes, it is not in order so, that would be...

31 **Aguirre:** Let me try.

32 **Vavra:** Be kind of hard to find out.

1 (Aguirre on the phone) Hi there, I have one more question: Is there any way that you can tell
2 how many were denied in 2007 and 2008? You know...separately, those two years? Ah... Ok. I
3 have his denial. Ah, ok, that's all right. Just question he asked...I don't know (unintelligible). I
4 see if Carrie (referring to Carrie Watson, Assessor's staff member) has something that she
5 can...someday...

6 **Vavra:** Ok.

7 **Aguirre:** Thank you, bye (hanging up the phone). No, they say they don't keep anything like
8 that; they just stack it in that file. Keri, when I asked her.....because...what she does, she sends
9 like about 3 letters out a year, saying..."You need to file to maintain this, this is what you need
10 to do to qualify." She sends about 3 letters out a year. We don't just...I don't know which way to
11 put it...we don't want to people think that we're just trying to take them out of it...I mean if they
12 qualify, fine. Here's...you know, here is the letter, you need to, you need to [sic] get hold of us
13 and fill out this form...and then she keeps track of that...once it goes out...like change of
14 ownership, or in the case of Governor it was downsized parcel from 3,000 acres...we're down to
15 40 acres...and if they came out...so, we have different girl who does that. And...I see if we have
16 some way to...she...

17 (Aguirre is leaving his office to go downstairs to ask a question and returning in about two
18 minutes).

19 **Aguirre:** Ok, the only thing she can think of is...she has kept records here...when they
20 came...when they come out, we have to charge them current plus six years back taxes.

21 **Vavra:** Ah.

22 **Aguirre:** For the difference of, the difference of what they paid and what they would pay...had
23 not been in ag. So, she billed 83 people last year that came out. This is only record she can think
24 of...that [sic] would show...that how many we took out. She billed 83 people last year.

25 **Vavra:** Ok.

26 **Aguirre:** And she said she got 5 this year. I know we're not really getting where you wanna go,
27 but I don't know if we have that anywhere. I am trying to get as close as I can.

28 **Vavra:** Ok, ah...if you can think of it...let's just keep...

29 **Aguirre:** It's not just something we really keep track of, it's not...nobody really challenged us
30 on, [sic] on a larger scale. We had individuals take us to Board of Equalization. Last year Board
31 of Equalization...we had five cases, and four of them were ag...you know an individual

1 (unintelligible) never been charged, challenged on a larger scale so, we need to keep track of
2 them.

3 **Vavra:** I was just looking...

4 **Aguirre:** Yeah, that's good information.

5 **Vavra:** How many applied in 2007 and how many got the exemption, how many were denied?

6 **Aguirre:** It's good information...I just (unintelligible) we keep track of.

7 **Vavra:** My next question: How does one prove income if they just purchased it?

8 **Aguirre:** We kind of work different ways that...When the Governor came in, he was asking the
9 same question, he said, "Well, how am I gonna do that?" And I said, "Well, you can develop a
10 lease that has \$5,000 income, we will accept that." Some people...what they do, they purchase
11 the place and its existing...we try (unintelligible) to work with them. Say...for instance, one of
12 these ranchers got 1,000 acres or something, and through the years, I know they're getting ton
13 and a half of hay per acre out there, and I can figure hay last year hit 130, I know how many
14 acres he's...how many fields he's got...I can figure in my head, yeah, you qualify, you gonna
15 qualify when you got that hay. You qualify, you can sell it. You know, there's, there's [sic]
16 different methods; we had people come in with a livestock they bought, they bought new place,
17 and they buy livestock, they spent 50,000 on a livestock and, and [sic] so I tell them..."You don't
18 have to sell 5,000 to prove you gonna have the income." You got income here that you're
19 developing so, we try to work with people, it's not...we don't have set...if it's a lease we ask for
20 copies of the checks, we ask for the actual written, written [sic] lease...

21 **Vavra:** Well, let me ask you this; if the application is denied, is there an appeal?

22 **Aguirre:** They can take it to the Board of Equalization...and we had 5 taken us last year.

23 **Vavra:** Ok. Let's start with some questions regarding Jim Gibbons' property. It was sold for
24 \$575, 000 correct?

25 **Aguirre:** That's what our record shows, and he has said that in interviews. Yes that's what it was
26 sold for.

27 **Vavra:** Does the value of the property make any difference in Agricultural Assessment
28 Application process?

29 **Aguirre:** No. Agricultural is...we don't value agriculture, we have 14 classifications. We have 4
30 cultivated, which is (unintelligible) crops, we have 2 wild hay, which is pretty much what we
31 have in this area, we have 4 different pastures, which is...it has a water source, but you can't cut
32 it because it's too steep (unintelligible) side, too many rocks, too many obstructions, but it's got

1 a good grass source for grazing or something like that. And we have four grazing which is no
2 water source, just country out here that...that will go all the way down to 16 acres for 1 AUM²,
3 which is ...a...lot of acres for 1 AUM. Ah...so, we class it, and the Department of Taxation puts
4 a dollar value in each class so, all we do is class it...we have class in a computer here then each
5 year we just re-put the dollar values in and I'll do every range in the place.

6 **Vavra:** Ok. Who appraised Jim Gibbon's property and what was it appraised for?

7 **Aguirre:** Who appraised it? I don't know...imagine it was either Janet or (unintelligible)...Janet
8 Iribarne did it.

9 **Vavra:** Janet, Janet who?

10 **Aguirre:** I-r-i-b-a-r-n-e.

11 **Vavra:** I-r-i-b-a-r-n-e. What was it appraised for?

12 **Aguirre:** Ah...it has agricultural value on, which will be \$4,470. 71 actually, it rounds to 71. Do
13 you want print out of that?

14 **Vavra:** Yes, please.

15 **Aguirre:** Do you want the breakdown of the ag?

16 **Vavra:** If it was appraised for full value, and there was no Agricultural Assessment Exemption,
17 what would the tax be, and what is it now?

18 **Aguirre:** The tax is...I'll look it up. I think its 39.17, that's what I think it is (unintelligible).
19 39.71, what they are.... (unintelligible) given classification I was telling you about.

20 **Vavra:** Ok.

21 **Aguirre:** But, all we do is just put number of acres in those classifications, and values are
22 handed on by that...and that's the appraised value on this one.

23 **Vavra:** Ok, thank you.

24 **Aguirre:** I hope you kept track of what the question was...I lost it.

25 **Vavra:** Oh, yes I do. What the tax would be if there was no...

26 **Aguirre:** If there was not...ok, It was...ah...I probably have to go through that file over there.

27 **Vavra:** This file?

² Animal Unit Month. (NRS 361.325 (1) b). An animal unit month is the amount of forage which is necessary for the complete sustenance of one animal unit for 1 month. One animal unit is defined as one cow and calf, or its equivalent, and the amount of forage necessary to sustain one animal unit for 1 month is defined as 900 pounds of dry weight forage.

1 **Aguirre:** Hm...it's...a sale does not make the value, sales make value so, we would have to
2 appraise it for...that's what I am looking up...I think it's around 200,000. It's like 210 or
3 something...the...what we did is...and I put in here...the...the [sic] case that went to the Board
4 last year...ah...what the ladies downstairs did is...they found like property in the area and put
5 down the appraisal with that like property and that's what would it be appraised for. You don't
6 have enough ground in the ag...and because it's...it's the sales...I have to call the girls on that, it
7 comes about 2,000 (unintelligible)

8 **Vavra:** Do you think we can actually (unintelligible) exact number?

9 **Aguirre:** yes.
10 (Aguirre on the telephone) Hi there. I am not picking on you, I don't have Julie's number...38,
11 ok...I write it down...38. He would like to know what the tax be if it wasn't in ag, and I don't
12 have...I think it was (unintelligible)

13 **Vavra:** Ok.
14 (Aguirre on the telephone) Because it was 200 and what? Give me the dollar amount please and I
15 (unintelligible)...Mike is snoring over here waiting for you. 210,000? I remember that
16 right...ah..should be...should be...cat...I mean convention..yeah...ok...5767...yeah...I got that
17 39.71. Thank you, good bye.
18 (Aguirre off the telephone).

19 **Vavra:** Ok.
20 **Aguirre:** She figured it with 210,000 appraised, assessed 73,500, the tax rate is 2.5767 and it
21 would make it \$1,893.

22 **Vavra:** What is the classification of Jim Gibbons' property? And...I believe you actually just
23 printed it out, but...because I am not an expert so...

24 **Aguirre:** You wanna [sic] breakdown what that classification mean? Is that what you are asking
25 for?

26 **Vavra:** Yes.
27 **Aguirre:** Sure, let's do that and I'll give you with it too, I can do it different ways, but I'll give
28 you that rate with it too.
29 (Voice on intercom) Kat, whenever you are, line 3...Kat...

30 **Aguirre:** I suppose I give that the girls too...I must give it to the girls. I think we have 20 acres
31 on that...let's see...20 acres on 2nd or 3rd class pasture...ah...

32 **Vavra:** So, that will be 20 acres...

1 **Aguirre:** 3rd class pasture and then?
2 **Vavra:** 20 acres...
3 **Aguirre:** 2nd class grazing....and I can make you a copy...this is 2nd class grazing it's sold as 4
4 to 6 acres that means 1 AUM will handle one mature grown cow (unintelligible) for one month.
5 **Vavra:** Ok.
6 **Aguirre:** That's the 2nd class grazing, and the pasture...the 3rd class pasture....it would...per acre
7 2-3 grown cows.
8 **Vavra:** Ok.
9 **Aguirre:** And I can get you...the stuff here...I am just gonna stack it here and you can tell me
10 what you wanna me to copy. It doesn't have the current value so, if you want that, I have to go
11 downstairs and...I don't know if you noticed, but it was...(unintelligible)...what happened
12 here...most of the time when they print these...it has value at the end of the each classification
13 for that year.
14 **Vavra:** Who makes the determination on the classifications?
15 **Aguirre:** We did that. That's all we do when we appraise ag properties (unintelligible) class the
16 land. That will be determined by the type of grass source, whatever is on it.
17 **Vavra:** So, who sets the regulation you follow?
18 **Aguirre:** Department of Taxation...does the...annual survey and Tax Commission approves it.
19 **Vavra:** Now, I am going to ask you few questions regarding Jim Gibbons. Can you describe
20 your relationship to Jim Gibbons? What was the first time you ever met with Jim Gibbons?
21 **Aguirre:** What was the first time I ever met with him?
22 **Vavra:** First time ever.
23 **Aguirre:** Ever...that I can remember?
24 **Vavra:** That you can remember.
25 **Aguirre:** I mean...we have politicians coming through, I think I remember when I was a kid
26 there was always one...different one's coming through here. I don't even remember
27 (unintelligible), but...that I can remember we haven't had personal contact whatsoever before he
28 came in and sit in the seat you're in. And that was probably...I would say...stretching...if he sat
29 maybe 20 minutes.
30 **Vavra:** So, you did not talk to Jim Gibbons until...
31 **Aguirre:** Until he came here and asked about his ag. That's the first time I ever talked to him.

1 **Vavra:** My next question would be: how much contact you had with Jim Gibbons over the
2 years...but I guess you just...
3 **Aguirre:** I never talk to him since. I never talked to him before, and I never talked to him since.
4 **Vavra:** Did you meet with Jim Gibbons in Elko County last year?
5 **Aguirre:** Yes, I did.
6 **Vavra:** Were you approached by Jim Gibbons, or did you approach him?
7 **Aguirre:** He came to the office here.
8 **Vavra:** Do you remember the date...what day was it?
9 **Aguirre:** I can't remember the date; it was around the 1st of September, because it was the fair
10 time. Fair time was Labor Day in this area, and he came to go to the fair.
11 **Vavra:** Do you know what time was it...probably?
12 **Aguirre:** It was in the morning, if I remember correctly. He said that afternoon he planned on
13 being in parade, which is...starts, I believe the parade starts either 11 or 12... I am not sure so, it
14 was in the morning, that's all I can say. I would have to think that... it was probably somewhere
15 around 9 or 10.
16 **Vavra:** What was the location of the meeting?
17 **Aguirre:** Right here.
18 **Vavra:** In your office...ok. What was the nature of the conversation? If you can give me details
19 on who said what.
20 **Aguirre:** Well, (unintelligible) to do that...ah...he asked me
21 **Vavra:** As close as you can.
22 **Aguirre:** He asked me...what you have to do get his land qualified for ag...I told him I don't
23 think it would qualify. He said, "What would I have to do to get it qualified?" and I said,
24 "Well...ah...there are different ways to qualify" and I explained to him he had to have \$5,000
25 income, half of the feed for the livestock he's planning on having to come from the property.
26 Those were the main things and if he hadn't plan of having livestock, the other way he can do it
27 is: he can lease it to legitimate operator and get 5,000 income from the operator that incorporated
28 that piece of property into his piece of property his working with.
29 **Vavra:** How long the conversation lasted?
30 **Aguirre:** I...I would think that I'll be pushing it if I say 20 minutes. I don't think it was that
31 long.
32 **Vavra:** 20 minutes...was anyone else present during this conversation?

1 **Aguirre:** He had his bodyguard with him. He was...I don't believe the gentleman ever gave me
2 his name. He didn't talk either.

3 **Vavra:** Do you have description of the gentleman?

4 **Aguirre:** Probably about 5'10'' - 5'11'', 220 around 220. I say...short blonde hair. I would think
5 like... in his 30's early 40's.

6 **Vavra:** Ok. Were there any other topics discussed besides the Agricultural Assessment with Jim
7 Gibbons?

8 **Aguirre:** I remember him saying he was gonna go to Biltoki restaurant for dinner...because that
9 gentleman who was with him was...I would theorize if he was highway patrol, and I asked him if
10 he's gonna have some Basque marijuana, and he was about to come in (unintelligible)...and I
11 said, "That's pecan punch" and he said, "Ah...I heard about them, and I am not having any of
12 those." I said, "I would advise not having one." It's a drink that's very potent.

13 **Vavra:** Did you tell Jim Gibbons that his property does not qualify?

14 **Aguirre:** I told him I didn't think it would qualify...qualify under normal.
15 circum...circumstances [sic] for what there is, and I said it would have to be proven that it
16 qualifies.

17 **Vavra:** What do you mean by under normal circumstances?

18 **Aguirre:** If it was all 40 acres...if it was all hay field that I can figure it out in my head how can
19 qualify them (unintelligible) hay field. There is some pasture there, some grazing but there's
20 ...you can't get enough of...of it as far as I am...in my mind you can't get enough off...but to
21 get the 5,000 income.

22 **Vavra:** So, you said, "I think it doesn't" you didn't say I ...

23 **Aguirre:** Right. I think... "I don't think that you can get qualified" that's what I said.

24 **Vavra:** Did you repeat it? Did you say it once? More than once?

25 **Aguirre:** I don't remember that, I am sorry.

26 **Vavra:** So, did he ask again?...you said...you said...you don't think...did he ask again how
27 to...?

28 **Aguirre:** He said, "Well, is there some way we can?" That's why I went into leasing
29 and...and...it was very cordial conversation, there was no pressure (unintelligible) there was
30 no...the only pressure would be if the Governor come inside and start talking to you...I mean...
31 the respect I have for the man...outside of that there was no...he didn't do anything that would
32 of...put pressure on me.

1 **Vavra:** Did you discuss forage, did you discuss AUM's?
2 **Aguirre:** No, I roughly had an idea what was said...I didn't know exactly, but I roughly knew
3 half of it was grazing and half of it was pasture...because ladies...that was the topic of the
4 conversation from days before...why would somebody pay 575,000 for sagebrush and some
5 grass?...little grass...that was just few days before you came in, and I can't tell you exactly how
6 many days, but we had have the conversation; me and ladies downstairs.
7 **Vavra:** Did you ever ask Jim Gibbons for assistance with any professional or personal issues?
8 **Aguirre:** No, I never...never had any contact with him.
9 **Vavra:** Did Jim Gibbons make any indications that you have to approve the application?
10 **Aguirre:** No, like I said, he didn't put any pressure on me or anything, just asked some questions
11 that I felt that [sic] any citizen would ask, and every , every [sic] citizen has the right to...come
12 in and ask questions to get answers. That's why we are here...to represent the public.
13 **Vavra:** It was reported that you repeatedly told Jim Gibbons that the property does not qualify, is
14 that a true statement?
15 **Aguirre:** That I repeatedly told him?...not to Jim Gibbons, John Marvel. I mean my letters to
16 John Marvel are in there...and I tried to explain to him...
17 **Vavra:** Regarding Jim Gibbons so, that would be no?
18 **Aguirre:** No to Jim Gibbons. I don't know what contacts Jim had, but John; I mean that's
19 between them
20 **Vavra:** (Unintelligible) this conversation between you two.
21 **Aguirre:** I remember telling him I didn't think it qualifies; the way it was said I don't remember
22 that [sic] repeatedly told him that.
23 **Vavra:** It was also reported that you stated, "They backed me up into the corner" Who are they
24 and describe being backed up into the corner?
25 **Aguirre:** I think I felt John Marvel backed up me into corner with the letter he wrote during that
26 final, you know the first letter he wrote me...that he can verify that [sic] Jim Gibbons qualify for
27 agriculture...and I wrote him back and I said that...he... I can remember the exact content of the
28 letter, but it's always been in ag so for and so on...so, I wrote him back now it's a new piece and
29 it has to qualify on its own as such...and John had done that to me a couple of times before so,
30 that...I felt I was backed up into the corner with him being on a Tax Commission, you know the
31 largest case I ever lost was to the Tax Commission.

1 **Vavra:** How, how [sic] would you describe being backed up into the corner? Maybe it's a silly
2 question, but...

3 **Aguirre:** Well, I think what I felt was that he puts me into a position I either have to call him a
4 liar, or approve the property he's trying to get through, which he had done times before.

5 **Vavra:** Did you have any contacts with Jim Gibbons after the conversation in fall of 2007?

6 **Aguirre:** No.

7 **Vavra:** Did Jim Gibbons himself contact anyone else in your office?

8 **Aguirre:** No, not that I am aware of, nobody has ever told me that, and I am sure they would of ,
9 because they were worried about talking to him. They were afraid that they may say something
10 that was wrong.

11 **Vavra:** During an interview with Elko KENV TV station you stated in regards to Jim Gibbons'
12 application that "It was not approved, it went by a timeline, and once it goes past that timeline, it
13 is automatically approved." Can you give me more details as to: What timeline you referring to?
14 What is the timeline?

15 **Aguirre:** There is a statute that says I have 10 days in which to respond when the application
16 comes in. Unless I am...my interpretation of it is, unless I am doing a research, like I am asking
17 for evidence, or I am asking for this or that to make sure that they qualify, if I go past that
18 timeline and I am not doing anything, I feel like they win, that's how we treated it in this office.
19 The Legislative Council called up and asked me about the interpretation, and they say they felt it
20 can be interpreted this way or that way...how do you feel? And I said that we went past the
21 timeline so, it has never been filled...the actual application is in that folder that [sic] you have. It
22 hasn't been recorded like we do every other one. It just stayed in ag for one more year. This year,
23 the way we did...it he's gonna have to requalify.

24 **Vavra:** So, what was the reason that it went through the timeline?

25 **Aguirre:** I didn't feel comfortable with the information given to me. So, I felt like I was in the
26 corner...my...my options were just let it go by or call him a liar or his lawyer, or whoever is
27 representing him...I mean the contact person, I had to call him a liar, that's how I felt.

28 **Vavra:** How many applications..?

29 **Aguirre:** Just that one. What we decided to do, I took it to Dino DiCianno, that's the Director of
30 Department of...

31 **Vavra:** I know.

1 **Aguirre:** I told him what we decided to do, is to (unintelligible) ask him for his revenue either
2 schedulee or scheduler, I can't remember which one is which one of them...one of them is lessee
3 one of them is lessor, and we were gonna ask him for that prove that he claimed on his IRS,
4 because what we had given at that time was two uncanceled checks...since the ladies...I've got
5 two cancelled checks from Jerry Carr Whitehead, but at that time all we had, was 2 uncanceled
6 checks.

7 **Vavra:** Going back to the timeline, do you have any statute that you follow?

8 **Aguirre:** A statute...I feel that's what it says...and you know unless (Unintelligible) determine.
9 And we had discussion with Assessor Association, some feel that way some don't feel that
10 way...it's not (unintelligible) science.

11 **Vavra:** Do you remember the number of the statute?

12 **Aguirre:** That's what I am trying to find out right here, see if I can find it...probably make you a
13 copy of that.

14 **Vavra:** I'd like to have a copy.

15 **Aguirre:** (Unintelligible) I'll be glad to make you a copy of that.

16 **Vavra:** The NRS 361A.120...or...let me open it on page...

17 **Aguirre:** Yeah, I [sic] ask the ladies to make me a copy.

18 **Vavra:** There is a part of it on the other side (Aguirre stepping out of his office for about 30
19 seconds). Was the application properly filled?

20 **Aguirre:** Yes.

21 **Vavra:** I would like to see all pages. I believe the application has 4 pages plus 2...

22 **Aguirre:** We only have one...one that they go through. We have an explanation sheet
23 (unintelligible), we have the application itself and then there is one that I fill out whether is
24 accepted or rejected.

25 **Vavra:** Correct. Can I see the original application? All pages if that's ok.

26 **Aguirre:** Ok, where it go...should be with those checks...there's checks...should be with
27 those...should be. For some reason I filled two copies of those checks, if that makes a difference.
28 I don't know...signed by John Marvel.

29 **Vavra:** Checks again...

30 **Aguirre:** Make sure (unintelligible).

31 **Vavra:** So far no sign of the application.

32 **Aguirre:** There it is.

1 **Vavra:** Is that it? So, is this the only page that they submitted to you?

2 **Aguirre:** In its entirety...that's what they submitted and the first time that I sent it back..right...I

3 didn't do anything with it, I kept it, and the second letter they sent me, the two checks...copies of

4 two checks.

5 **Vavra:** Can I borrow this chair and use it as a table?

6 **Aguirre;** You bet.

7 **Vavra:** Actually, you know what; if you don't mind I take this one....that would be easier. Let

8 me show you what I was actually looking for. I have a copy of the application that I downloaded

9 from your website. This is the first page...that's the only page that they are required to fill?

10 **Aguirre:** That's the one they fill, the next one I fill in.

11 **Vavra:** I'd like to see it.

12 **Aguirre:** It's never been filled out.

13 **Vavra:** You never filled it out?

14 **Aguirre:** I never approved it, I never denied it, I never...that's the one there.

15 **Vavra:** Ok. (Looking through folder with rejected applications).

16 **Aguirre:** (Unintelligible) one of those, I believe was a cessation letter.

17 **Vavra:** What about the page 2?

18 **Aguirre;** I don't know what the girls got going on there...Ah, that's the all the owners. The

19 statute says that all the owners must sign.

20 **Vavra:** So, again, you supposed to fill it or you don't?

21 **Aguirre:** They do, but that...if you only got 1 owner...like here's...you got only John Marvel

22 signed it.

23 **Vavra:** So, there is no reason for page 2 then.

24 **Aguirre:** Ah, no, but if you got...say...a large family where it's (Unintelligible) or incorporated,

25 they use these occasionally, that's something new they come up with...that I never did in the

26 past. We were little bit more flexible on that before, but the ladies are taking this seriously given

27 the authority to them.

28 **Vavra:** So, page 4...you never filled when it was received, inspected?

29 **Aguirre:** I didn't do any of that.

30 **Vavra:** All right.

31 **Aguirre:** You know, I just thought...well, they gonna have to show more than that or it's not

32 gonna pass one way or the other...the other did. Lot of it was not knowing what to do with that.

1 And then, you have to remember, I didn't call it in, it was the Commissioner. I didn't know what
2 to do with it, and my decision was that...to make them requalify this year with his income tax
3 return showing that he got \$5,700 he's claiming he got through checks...that he claims that [sic]
4 he cashed it, he claims that he made taxes on them.

5 **Vavra:** Yeah...this is the original application? What file or what folder it came from? This is the
6 actual file?

7 **Aguirre:** That's the actual file.

8 **Vavra:** That's not a copy, that's the actual file?

9 **Aguirre:** That's the actual file right here, and all of the information on it is right there...like
10 those letters from John Marvel, they're original letters, the actual letters. I sent copies to our DA
11 along with that ...ah...not that I expected anything was wrong, just to keep it (unintelligible) in
12 the case something happened...that I am creased...conceived, which I do on other cases too. And
13 they're those ones who have to represent me if I screwed up.

14 **Vavra:** Do you keep separate books or files for the Agricultural Assessment?

15 **Aguirre:** We have total breakdown of every ranch downstairs as to all the different
16 classifications, maps, everything....on any particular individual down here.

17 **Vavra:** Ok, so, this is the complete file, nothing is missing, it's everything?

18 **Aguirre:** Hm...that's everything we have, yeah. The girls downstairs, they do have one, they do
19 have copies of the cancelled checks. They came in when I was sick last spring, and I didn't get
20 into this because I did perceive they received it down there, and they put it in...there might be a
21 file down there that have...they may have file.

22 **Vavra:** Ok.

23 (Aguirre left his office for about two minutes to go downstairs to ask look if there is another
24 file).

25 **Aguirre:** This is his public file...someone was to come in and look for...we have file on every
26 parcel number that's in here downstairs in the cabinets. This is the private file, the girls have
27 downstairs.

28 **Vavra:** Ok.

29 **Aguirre:** I never (unintelligible) they have one whenever trying keep track of things in the case
30 that it came back and bite them....and she said the checks (unintelligible)

31 **Vavra:** Do you have any... can I borrow any sticky notes? The little sticky notes...post-it
32 notes?

1 **Aguirre:** Ah, notes...

2 **Vavra:** Thank you.

3 **Aguirre:** You have green light to keep those two files separate, If you don't mind...I mean if
4 you need any information...

5 **Vavra:** No, I am not going to...

6 **Aguirre:** You are welcomed to have any information from either one of the...I don't know what
7 the gals got in there. We keep private files like...I had one that I kept for years, but...when I
8 went to the house, lady opened the front doors and turned a German Shepherd on me. I had to
9 guess what's in the house because I can't get close to it. She pinned me against the car, and I
10 went back and I kept the private file. If she come in and complained...but...this is what
11 happened, this is how it happened, date and time, daytime...that's why I need to keep private
12 files down here. Someone who wanna [sic] walk me out of the property or...that happened once
13 this year, and once last year if I can remember.

14 **Vavra:** So, if the application was approved, would it be a part of this file?

15 **Aguirre:** We keep set of books out there. The auditors come and go through those books. We
16 have to have the application, the approval I signed, the recorded application, the approval that I
17 sign, and the proof on how they qualified. And, if you like to see more books, I can grab one,
18 bring it in and you can kind of look and see how we did it.

19 **Vavra:** Yes.

20 **Aguirre:** (Unintelligible) It's starting to back up on you, but they're kept alphabetically, and it
21 was little like (unintelligible) of information.

22 **Vavra:** Well, what I want to see is...I want to take an application of...let me just pick a name
23 and compare it with Mr. Gibbons' application.

24 **Aguirre:** Sure.

25 **Vavra:** And the private and the public file.

26 **Aguirre:** What happens when the auditors come in...they pick10 files at random. We don't
27 know who they are, and they go through the application making sure that the documentation is
28 there. And... they go downstairs, they pull the appraisal file, they just go through it, and
29 document every thing in there. And...they go out and actually do it from scratch, and they
30 compare that what we did, and that's part of our ratio study.

31 **Vavra:** Next question...was the application delayed on purpose so, it will be automatically
32 approved...but I guess we already...went through it.

1 **Aguirre:** Yes.

2 **Vavra:** Now, probably the next...my next question would be: Is there a timeline on when to
3 submit the evidence of income?

4 **Aguirre:** Not so much the income, but the timeline on submitting the application is June 1st.
5 Ah...I don't know, I don't remember ever seeing a statute that says there's a...once you submit
6 the application, we always refer to June 1st...as...we got till then to get clean, because
7 it's...everything seems to transpire with the agricultural on June 1st.

8 **Vavra:** Well, let me ask you this: let's say someone submits the application and there is
9 something missing. Is there a timeline that they have to submit the..?

10 **Aguirre:** No, we will work with some of those until right up June 1st...I don't know sometimes
11 what we'll do is...the guy buys it in the middle of April or...I mean in the middle of May. He
12 doesn't have enough time to file. We give him another year, and write then letter explaining,
13 "This is what you gonna have to do if you're planning on maintaining this" and we send out 3 or
14 4 letters to remind them.

15 **Vavra:** When did you receive Jim Gibbons' application?

16 **Aguirre:** Hm...yeah, whatever's the date on those letters.

17 **Vavra:** Well, the application doesn't answer my question. That's when John Marvel filled the
18 application.

19 **Aguirre:** John filed it...

20 **Vavra:** I want to know when....

21 **Aguirre:** I don't think I documented it as date received.

22 **Vavra:** You don't put a stamp on it "received"?

23 **Aguirre:** No.

24 **Vavra:** You don't do it ever, or you just didn't do it in this case?

25 **Aguirre:** We don't do it ever...we just got to stay what's under the statute's guidelines. That is
26 1st of June...we haven't had to use the 10 days (unintelligible) so, it wasn't like an issue, and
27 maybe...something will end up doing in the future, when we put it down. But usually Carrie,
28 when it comes in....

29 **Vavra:** Who received the application?

30 **Aguirre:** Carrie, Carrie received it...let me show you one that you know what am I talking
31 about. On normal situation, on that one that for you asked the last time, it was a date received
32 right there and we put it down.

1 **Vavra:** Ok.

2 **Aguirre:** That's what I was looking for they took...now they haul all the applications
3 downstairs. They used to be right here. They're downstairs, I can get on of the...

4 **Vavra:** We'll go down there.

5 **Aguirre:** You can go down there, see some of the files and whatever...

6 **Vavra:** So...

7 **Aguirre:** Agriculture...received...normally she dates it here, initials it here and I do everything
8 else.

9 **Vavra:** Ok.

10 **Aguirre:** But, this one was (unintelligible) because there was no proof. She just brought it to me,
11 and she said "There's no proof."

12 **Vavra:** So, she received it...Carrie?

13 **Aguirre:** Carrie.

14 **Vavra:** Carrie who? Who's Carrie?

15 **Aguirre:** Watson.

16 **Vavra:** Watson?

17 **Aguirre:** Hm...

18 **Vavra:** She is...what's her title?

19 **Aguirre:** She is an appraiser, but she's...that's part of her duties...sorting through the ag's and
20 sending the ag letters out. We have one lady who does the ag letters on filling and we got two
21 people who do the applications downstairs now. They are two separate...the lady who does the
22 ag letters on filling is the same one that does the ag on personal property. So, she knows
23 who...she's got this filled in...who is she worked with and stuff so, it remains run a little
24 smoother.

25 **Vavra:** Do you know how did she receive the application?

26 **Aguirre:** I think the envelope is still here.

27 **Vavra:** So, it was in the mail?

28 **Aguirre:** Hm...that's one of John Marvel's envelopes; I believe it's still in here...should have
29 about the same date on it there...should be two envelopes in there.

30 **Vavra:** Ok, I will make copies of those later on. So, what happened? Can you tell me what
31 happened after you received the application? So...first you said Carrie received the application,
32 then what happened?

1 **Aguirre:** She brought it to me because there was no proof. She wanna know what I was gonna
2 do with it, being that Governor. Also, John Marvel scares the hell out of them because he is on a
3 Tax Commission. I said I will take care of it, that's why wrote the letter to explain to Mr. Marvel
4 that now it was a new piece, it has to qualify on its own. It's not a part of that 300,000 acres, or
5 30,000 acres...3,000 acres...I get there. It has to qualify on its own now.

6 **Vavra:** Did you ask for any additional documents? What were they?

7 **Aguirre:** Just some proof of income...that there was an income coming in. I believe that...I
8 don't remember the exactly what I said to him in that letter, I think it was probably the same
9 thing that I said to the Governor before.

10 **Vavra:** Was there a lease agreement between Jim Gibbons and Mr. Whitehead attached to the
11 application?

12 **Aguirre:** We have never seen them...I asked the ladies that [sic] the other day...I was sick for
13 month and a half this spring...my doctor was talking death to me...and I was asking the ladies
14 the other day, if there was any lease...anything, and that's what's ...where that personal file
15 (Unintelligible) handed it to you. And I said...I am not sure if it's in here, but we have requested
16 it, but I didn't know if it was in here, I hadn't checked. You know, I was waiting for the next
17 time we're gonna make them reapply and I was gonna to review everything, because it wasn't an
18 issue with me. I...I let it go, but I asked the ladies when you said you were coming and when the
19 Attorney General said they were coming, if they ever did receive the lease we requested and they
20 said no.

21 **Vavra:** Do you usually receive the copy of the lease?

22 **Aguirre:** We requested it, yes, we always do...we...

23 **Vavra:** So, you...let me back to it, you requested the copy of the...proof of income, you also
24 requested the copy of the lease?

25 **Aguirre:** Hm...instead they sent us two uncanceled checks for \$5,700. I even took it to
26 (unintelligible), she came to me...a local banker who got turned down last year and she wanted
27 to know how Gibbons got his application approved if she didn't, and I showed her the checks
28 and she said "those aren't cashed" and I said, "Thank you, I was waiting for a banker to tell me
29 that." But, she was quite upset and the only way to tell her was...it was ongoing. At that time we
30 don't want them to know that we're going to check his IRS.

31 **Vavra:** Was this property receiving the exemption before?

32 **Aguirre:** Yes, it was a part of that bigger acreage.

1 **Vavra:** So, does it have to qualify on its own?

2 **Aguirre:** Hm...

3 **Vavra:** Why?

4 **Aguirre:** It's a new piece...it's a new piece with us to qualify. We knew it qualified when it was
5 a part of the bigger piece...that those huge hay fields, all the cattle and everything that is on that
6 place and they're obvious...now that's created on its own, it has to...it has to requalify. I believe
7 the verbiage is pretty similar to that in that statute.

8 **Vavra:** Do you always personally inspect the properties?

9 **Aguirre:** No.

10 **Vavra:** Who does?

11 **Aguirre:** The two ladies downstairs that are working the applications now.

12 **Vavra:** Names?

13 **Aguirre:** Julie Eaklor. J-u-l-i-e E-a-k-l-o-r...or...I think it is...I had them before...Eaklor, I was
14 right, and Janet Iribarne. I may not (unintelligible) this one...

15 **Vavra:** What? Janet's last name again?

16 **Aguirre:** I-r-i-b-a-r-n-e. I went out to inspect this one because I felt...

17 **Vavra:** That was actually my next question. Did you personally inspect Jim Gibbons' property?

18 **Aguirre:** Yes, because they felt so uncomfortable and they asked me if I wouldn't mind to help
19 them with this one, and I said, "I'll be glad to do it."

20 **Vavra:** Who...was anybody with you?

21 **Aguirre:** When I went out, it was when I took KENV TV, and I went out again with the Elko
22 Daily Free Press; they asked me to take them out.

23 **Vavra:** So, that was the first time you...

24 **Aguirre:** I know where it was, I was born and raised in this country; I know most of it. I used to
25 hang out there all the time, and I dated a girl out there all through the school. I know the area
26 pretty well and I know exactly what that deal was.

27 **Vavra:** What do you do during the inspection?

28 **Aguirre:** Normally, the first thing to do is...I identify the property. The ladies wanted to ask me
29 about my classifications so, I could of done that sitting here in this chair and use aerial
30 photographs we have. That could of come pretty close to the classifications by the coloration of
31 the property, but they wanted me to go out and try to identify where the boundaries were, which I
32 did. There's not much to inspect on that...I mean...if you look on some acreage there, it's not

1 like...ah...say...if the person is buying a couple of different pieces of properties, that you want
2 us to build on...we have topography issues or...or...different issues like that...I mean, that's a
3 40 acre piece...that's just...what are the classifications on it.

4 **Vavra:** Why is Jim Gibbons not entitled for the Agricultural Assessment exemption?

5 **Aguirre:** He hasn't proven to me that he is entitled. I don't have lease agreement...ah...I didn't
6 have cancelled checks. I have two from Jerry Carr Whitehead...now that ladies received them
7 when I was sick. We gonna ask them to requalify if he still thinks that [sic] he qualifies. I don't
8 think that ground can produce 5,000 income. Just from my experience being in the business, I
9 don't think it can produce it. But the average person just wouldn't pay that kind of money to put
10 their cows out there where they can't make money.

11 **Vavra:** But, again isn't it up to ...I am just thinking...no, I am not an expert but isn't it up to Mr.
12 Whitehead how much is he willing to pay for it?

13 **Aguirre:** But he's still...

14 **Vavra:** But you find it unusual...

15 **Aguirre:** Unusual and I also found it uncomfortable. The integrity of the program means a lot to
16 me. I mean we're here to protect the taxpayer, the mom and pop operations. It says that in the
17 statute...protect greenery and not to tax people out of their business. I really feel that's what the
18 agricultural is for. It's being abused by people; we have more sophisticated people coming to this
19 area, and we're changing our policies to address them, and Governor Gibbons is one of them
20 that...ah...just because it's in a country, and it should be an ag, it's not a true statement...I mean
21 ...it has to qualify.

22 **Vavra:** Ok. Describe your relationship to attorney John E. Marvel. What is your relationship?

23 **Aguirre:** I've had different discussions with him...never... I don't feel that I had a positive one
24 with him. I always felt like....

25 **Vavra:** Can you tell me how many times...just roughly...how many times you met with Marvel
26 on professional or personal level?

27 **Aguirre:** Personally, none....maybe half a dozen.

28 **Vavra:** How long do you know him?

29 **Aguirre:** Probably close to 15 years. It's one of those "in small community"...kind of know
30 everybody...but I would say probably 15 years (unintelligible) met him and spoke to him...I
31 wasn't...

32 **Vavra:** How often you see him?

1 **Aguirre:** Maybe once, twice a year, usually just walking down the street. I don't think it's any
2 much more than that, maybe...maybe up to four times.

3 **Vavra:** Under what circumstances you see him...just...

4 **Aguirre:** Just walking down the street or something.

5 **Vavra:** Did you ever ask Marvel or his staff for help on any personal or professional issues?

6 **Aguirre:** No.

7 **Vavra:** Did Marvel at any time during the Gibbons application process mention the fact that he
8 is a member of the Nevada Tax Commission?

9 **Aguirre:** No, I was well aware of it. I went in the front Tax Commission before.

10 **Vavra:** Did he mention or made any indications...

11 **Aguirre:** Did he? No.

12 **Vavra:** Has he ever mentioned that he is on a Tax Commission while filing an application for
13 someone else?

14 **Aguirre:** No.

15 **Vavra:** Does Marvel come to the Assessor's office with applications?

16 **Aguirre:** No, he uses mail.

17 **Vavra:** Ok. So, no one from his office does...or...personally?

18 **Aguirre:** Not that I remember. If they did, they didn't give it to me, they may given one to
19 Carrie, but I don't remember him ever giving it to me.

20 **Vavra:** Does Marvel submit applications for other people?

21 **Aguirre:** Yes.

22 **Vavra:** So, he didn't bring the application for Gibbons, he...you already showed me the
23 envelope; so he mailed them?

24 **Aguirre:** Yes, he mailed them.

25 **Vavra:** Did Marvel or his staff contact anyone else in your office?

26 **Aguirre:** Janet talked to him.

27 **Vavra:** Was it regarding Jim Gibbons' application?

28 **Aguirre:** I don't know about Jim Gibbons' application, she told me that she...I don't know the
29 whole conversation she talked to him about his application.

30 **Vavra:** Ok, can we ask Janet?

31 **Aguirre:** Sure, you want me to call her right now?

1 **Vavra:** Yes, can you ask her? What was the nature of the contact, how...was it on the phone, in
2 person...and
3 **Aguirre:** I believe it was on the phone.
4 **Vavra:** And...it was regarding to...?
5 **Aguirre:** It was regarding to his application.
6 **Vavra:** So, it has nothing to do with Jim Gibbons' application?
7 **Aguirre:** They may have asked a question about it, but...
8 **Vavra:** Can you...?
9 **Aguirre:** Yeah, right now. (Aguirre on the telephone contacting Janet Iribarne). I got her answer
10 machine...let's try...Julie, "Did Janet take off?...and can't get here faster...can you ask her to
11 come up, Mike would like to ask her some questions about the call."
12 **Vavra:** Can she just come right now for just a minute?
13 (Aguirre still on the phone)...just a minute he wants to ask her few questions about her call with
14 Mike...I mean Marvel. Ok. Thank you. (Aguirre off the telephone).
15 **Aguirre:** I didn't give her enough warning so, she will be scared. She is really shy, I mean really
16 shy.
17 **Vavra:** She will be ok.
18 **Aguirre:** Very pretty girl, but I am sure you not going to bite her.
19 **Vavra:** What type of contact you had with Marvel during the application process for Jim
20 Gibbons?
21 **Aguirre:** During the process, all I had was the two letters.
22 **Vavra:** No personal contact, no phone calls, no mail?
23 **Aguirre:** Did Marvel follow the same procedure with Jim Gibbons' application as he did with
24 the other applications?
25 **Aguirre:** Right, yes. And I have never been able to get him fully come through with what we
26 requested...like a lease agreement or...whatever. He always stopped short. It appears to me if
27 you are in that position whether it is Tax Commission or the Governor, you remove all doubt
28 whatsoever.
29 **Vavra:** But there was nothing different about this application, he followed just the same...?
30 **Aguirre:** And all the trouble with it.
31 **Vavra:** Right, all the same...

1 **Aguirre:** Come in Janet (Janet Iribarne entering the office)...I always had trouble with him. This
2 is Mike, this is Janet.
3 **Vavra:** How are you doing Janet?
4 **Iribarne:** Nice to meet you.
5 **Vavra:** Nice to meet you too. I just got a question about attorney John Marvel.
6 **Iribarne:** Oh, ok.
7 **Vavra:** Did you ever talk to him? Did he contact your office?
8 **Iribarne:** Oh, he's contacted our office several times, but I never talk to him in regards to
9 **Gibbons.** Either...oh, he had another client he was representing when he called...and the
10 another time he called.
11 **Vavra:** Do you remember the name of the client?
12 **Iribarne:** It was Joe Durant...and he has several different corporations, actually, ranching
13 operations I mean (unintelligible).
14 **Vavra:** So, you talked to him on several different occasions, but it had nothing to do with Jim
15 Gibbons?
16 **Iribarne:** Right, yes, I never talked to him about Mr. Gibbons.
17 **Vavra:** Ok, that's it.
18 **Iribarne:** That's it? Ok, great.
19 Aguirre to Iribarne: You told me about that phone call and I didn't know what the conversation
20 was so, that's why I want you to come here now.
21 **Iribarne:** Oh, you know, yes, you know [sic] of course...it was his own property and he left
22 phone messages back and forth, and I actually didn't talk to him directly, he left a message on
23 my phone and I phoned him back, left a message on his phone in regards to that, but he had some
24 questions about his own property, that is in ag, and he thought he wasn't billed right.
25 **Vavra:** So, Jim Gibbons never came into the conversation?
26 **Iribarne:** Yeah, no, he never spoke about...
27 **Vavra:** Ok. Thank you.
28 **Iribarne:** All right, you are welcomed. (Iribarne leaving office).
29 **Vavra:** Did Marvel ever discuss AUM's, did he discuss forage with regards to Jim Gibbons'
30 property?
31 **Aguirre:** No.

1 **Vavra:** You stated that you felt uncomfortable. When was the first time you felt uncomfortable
2 with Jim Gibbons' application?
3 **Aguirre:** Oh, soon as I saw Marvel's name, because I always had trouble with him.
4 **Vavra:** So, when you got the letter with the application?
5 **Aguirre:** Yeah, I felt (unintelligible). An example: the first time I ever had contact with him, he
6 filled an application and I denied it. He called me up and he said, "I thought it was given when
7 you apply" And I said, "Not in this county, you have to qualify" and...
8 **Vavra:** It was given based on?
9 **Aguirre:** Just given because you applied.
10 **Vavra:** Ok.
11 **Aguirre:** And I said no, not in this county. And that was the type of attitude I always had with
12 him. He thought just because it was out there, it should be in ag, and I said no. I mean when
13 we...I am expected to go out and seize a trailer that's got 4-5 kids in it, because the guy cannot
14 afford to pay a \$100 bill, and these guys are trying to get out of a \$1,000 bill? I just don't think
15 that's right.
16 **Vavra:** So, speaking again about being uncomfortable, you said it was just Marvel? Just you and
17 him uncomfortable?
18 **Aguirre:** After that, that's all I (unintelligible) contact with Marvel made me uncomfortable
19 because previous experiences with it. It was like pulling teeth to get the information that I should
20 have in.
21 **Vavra:** Were there any specific actions or words that made you uncomfortable?
22 **Aguirre:** No, you just never seem to ever get anywhere with him...it's like pulling teeth. I know
23 he's on a Board, and the largest case I ever lost was with the Board...one of the largest cases...
24 **Vavra:** What was about Jim Gibbons' application that made you uncomfortable?
25 **Aguirre:** The fact that he got John Marvel to do it, and there was no evidence.
26 **Vavra:** Did you always feel uncomfortable when Marvel filled an application? Even for other
27 people?
28 **Aguirre:** Yes.
29 **Vavra:** Why would that be?
30 **Aguirre:** Past experiences.
31 **Vavra:** Can you tell me about the experiences?

1 **Aguirre:** His secretary filled...he was trying to help his secretary to file...he told me that they
2 were running cows on her grandmother's ranch. To qualify their property next to Elko here...
3 may have probably 20 acres next to Elko. It's all grazing; I just could not see where she qualifies.
4 She is in a process of requalifying like everybody else, but she said, "We're running cows on
5 grandmother's ranch; we have few up here." I know that they have some roping steers, but that's,
6 that's [sic] not being in ag, that's a hobby and I doubted it, I felt really uncomfortable, but
7 he's...he's telling me, "Well they have all cows out here"...I have no way to tell (unintelligible)
8 cows who's they are. And I know her grandmother very well, I know her for years, and she's not
9 there anymore. So, I didn't know who to ask and how to handle it, and about 3 years later, I
10 asked one of the neighbors, Jeff Dalton, and Jeff said, "Oh, I've been running cows out there for
11 several years, those are all my cows." So, immediately I started to feel uncomfortable, I mean
12 why would he lie to me about something simple as that? So, next application I get is from him. I
13 told him I felt extremely uncomfortable as ag isn't meant to be in the State of Nevada given ag to
14 somebody that has very expensive hobby like (unintelligible) horses. He says "I have an
15 extremely good business; I made over \$100,000 last year with my business."

16 So, what he's doing, he backed me up to the corner; I am gonna have to call him a liar or give it
17 to him. He did the same thing with Gibbons; they only gave me little pieces.

18 **Vavra:** Was his application denied or approved?

19 **Aguirre:** I approved it, because my choices are now put in statutes...we find in the statute. I
20 didn't know it was in there, we can request IRS their returns. So, if he's making 100,000 I want
21 to see the IRS return, I wanna see it. Now, when we found it, we're making everybody do it.

22 **Vavra:** So, was it...he qualified based on what?

23 **Aguirre:** On what he said. He just kept backing me up to the corner, every question I asked him
24 he challenged me, and I actually don't have anything in writing. He says, "My dad is
25 (unintelligible) ranch incorporated, you know, he owns a property right next to me, and I use his
26 land" and he just kept making excuses. I know that I am talking to a member of a Tax
27 Commission and I know he's lying to me, because I drive by his place all the time and I see the
28 same damn horses out there every year. If he's making 100,000 from it, I don't know what
29 horses he's got because I don't see more, maybe 1 or 2 (unintelligible) a year...that's pretty
30 expensive horse. And...that's why I felt uncomfortable with Gibbons. I've been backed up into
31 position that either I call a member of the Board of Taxation a liar again...

32 **Vavra:** His application went through a timeline, or it was...you just approved it?

1 **Aguirre:** His? I just approved it.

2 **Vavra:** You mentioned that the county had to pay...Elko county to be specific...had to pay
3 \$65,000 due to some issue with Nevada Tax Commission. What was this case about?

4 **Aguirre:** It was a case on bankruptcy. It was an extremely complex case. It was a bankruptcy
5 and it was a personal property...and it had to go before the Tax Commission....and I didn't felt
6 [sic] feel that it should go before the Tax Commission, I felt that it should gone to the Board of
7 Equalization, but the lawyer took it to the Tax Commission, to make judgment on whether I
8 handled it legally or not...and I think it was the value...could been an issue, and it should gone
9 to the Board of Equalization, but then I found out later on that John Marvel and that lawyer that
10 was representing the bankruptee, the bankrupt casino...had business together. John Marvel
11 whatever they (unintelligible) like a month later he told me that he was having a dinner with him
12 that night, "So, I am having dinner with him tonight"...oh good for you, I thought that explains
13 why it was settled.

14 **Vavra:** When was that? How long ago?

15 **Aguirre:** 3 years ago, 4 years ago, something like that.

16 **Vavra:** 2004, 5?

17 **Aguirre:** I can pull it up, this file is the one of the biggest files I have in my office. I moved most
18 of them downstairs, but this one is huge.

19 **Vavra:** Do you know if Marvel was on a Tax Commission at the time?

20 **Aguirre:** Yes...it must be all downstairs...it was Generation 2000, that's what it was...and it
21 was just multitude of screw ups on it, because it was such a well know family...that State
22 Treasurer kept trying to work with them until he got so far behind that it wasn't much he can do.
23 And...when all the dust settled, I ended up going down to represent it. I thought it was a waste of
24 time, because chasing dead money is pretty tough...the file must be downstairs...its generation
25 2000.

26 **Vavra:** Do you know if Marvel voted on this case?

27 **Aguirre:** Oh, yes.

28 **Vavra:** Do you know how?

29 **Aguirre:** He voted in favor....not in favor of us...the favor of the client...the taxpayer.

30 **Vavra:** Do you know how the other Commissioners voted?

31 **Aguirre:** I don't remember what the total vote was. I don't.

1 **Vavra:** Ok, if you don't, you don't; that's ok. Was Marvel's role any greater than the other
2 Commissioners?

3 **Aguirre:** That I don't know for fact...ah...I don't know.

4 **Vavra:** Now, if you don't mind I would like to make some copies.

5 **Aguirre:** What we can do, we have conference room downstairs, we can move all the stuff
6 downstairs. You are welcomed to go and use the table in the conference room and there's a copy
7 machine right there.

8 **Vavra:** That would be...that would be great.

9 **Aguirre:** I think it will be easier for you, that's what I'm thinking. We can take all this stuff if
10 you want...you wanna just take the whole thing?...you can kind of look through it.

11 **Vavra:** Too many things here...

12 **Aguirre:** I'll be right up here, if you can just ask one of the ladies...

13

14 Interview concluded at approximately 2:15 p.m.

15

16 Additional comments:

17 Vavra making copies and collecting information in assessor's records room; completed at
18 approximately 3:10 p.m.

19 (Not recorded) Meeting briefly with Aguirre at approximately 3:15 p.m., and asking if there is
20 anything I didn't ask Aguirre would like to add. Aguirre's response was that "I think we covered
21 it, I don't know if I did good job explaining that, but I think we covered it."

22 Driving with Aguirre to see Jim Gibbons' property, returning at approximately 4:50 p.m.

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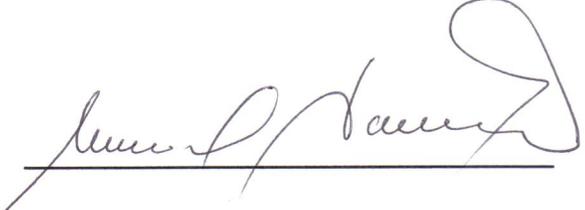
Dated: _____

8/29/2008

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32



Michel Vavra, M.P.A., Investigator

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 _____ /

CERTIFICATION

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

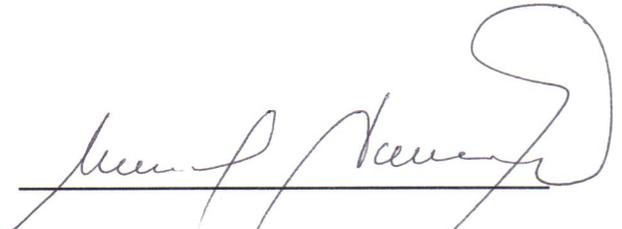
That on Thursday August 22, 2008, at the hour of 12:45 p.m. of said day at 571 Idaho Street in Elko, Nevada, I was present and I conducted an interview with Joe Aguirre, a witness in Request for Opinion 08-37C.

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

The foregoing transcript consisting of pages 1 through 31 inclusive is a full, true and correct transcription of the recording of said interview.

Dated: _____

8/29/2008



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