

December 18, 2017

## VIA HAND DELIVERY PERSONAL AND CONFIDENTIAL

Governor Brian Sandoval State Capitol Building 101 North Carson St. Carson City, NV 89701

Subject: Request for Delay of Nevada Department of Agriculture Wild Horse Action

Governor Sandoval,

First off, Merry Christmas! I have to tell you that during this holiday period, all of Nevada and especially Roger and I consider you to be family. And with all the amazing success we have had this past year (a record year), we at TRI are thinking of all those who have helped us succeed, especially you, who we owe so much to for your unwavering support of our industrial park and Northern Nevada. You stood tall and strong on economic development and have cemented a legacy forever as the "founding father" of the new Nevada.

I wanted to get you some key information on the Virginia Range Wild Horse issue. I ask that you consider putting a temporary hold on the Nevada Department of Agriculture (NDA) implementation of the instruction from the Board of Agriculture to turn do away with state ownership of the Virginia Range horses. This "hold period" could be used to gather more information in order for the NDA to make a more informed decision. It also could be used to explore other options which are strategically much better for the horses and for the businesses here at TRI. As you know, typically about 1,000 head of the 3,000 wild horses in the Virginia Range are roaming across TRI. So, TRI and all our global businesses here, have a deep, vested interest in this issue. I offer a number of concerns for your consideration:

## The Board Action was rushed and had no data, documentary, nor public support.

First, the way this initiative was carried out seemed very haphazard and rushed. It would be worth an inquiry from your office to the NDA on what studies or investigation was carried out before the Board action was taken. There was not a single document attached to the agenda with any supporting data or information on this agenda item – not one page. We are the key stakeholder and landowner in this area, along with Tesla, Switch, Google, and Chip Bowlby's company – Reno Land Development. As far as I'm aware, none of us were asked ahead of time for input. No local government in or near the Virginia Range that I know of was asked for input. Another factor which is concerning is that this measure targeted only the horses here in the Virginia Range. There was no explanation as to why the horses here are the only ones targeted. As you I'm sure read in the papers, the residents here are up in arms – according to the RGJ, of the 152 messages received by the Board before the hearing, 3 were in support of the proposal, 4 neutral, and 145 opposed, many vehemently opposed. I can vouch for the fact those numbers are indeed representative of the feelings of Northern Nevada residents.

Attracting global leading businesses requires environmental excellence. Governor, no one has done as much as you have to draw in to Nevada the best companies in the world. You have created an economic miracle in this state and have accomplished 100% of your goal of diversifying Nevada's roster of businesses. No one knows better than you how important environmental responsibility is to the companies you have brought in. With leaders like Elon Musk, Rob Ray, and others, care of the environment is Job 1. It's required for their shareholders, it helps sell their product, and it is a core believe in their very soul. Having something unfortunate happen to these horses (e.g. auction and slaughter or killing by other means) would be a major black eye in the environmental world. Here it's notable that once ownership passes out of state control, Director Barbee admitted to the RGJ that "there are no guarantees" the horses would not be slaughtered.

(http://www.rgj.com/story/life/outdoors/2017/12/12/nevada-board-votes-give-up-control-over-fate -wild-horses/945517001/)

In the event they are slaughtered or destroyed by other means, it would of course be highly publicized and problematic for all the businesses here to explain to their stakeholders and the public.

## The wild horses are a key part of the successful new Nevada/TRI brand

Through your amazing work in economic development, you have created a new Nevada brand for attracting business, which we here at TRI have leveraged into amazing success under your leadership. This new successful brand centers on the notion that we are NOT San Francisco or Chicago. We are the West, proud of our heritage, where a handshake means something, and it's ok to wear cowboy hats and bolo ties. Where businesses can get things done. Where you're not hamstrung by bureaucrats and red tape.

Our wild horses are the best emblem we have for that brand. Everyone coming to TRI notices them, comments about them, and asks about them.

Elon Musk himself is a great example – just two months ago, he posted on his Instagram account a video he took of the wild horses when he was leaving the Gigafactory. In just these two months, over 750,000 people have viewed that video (more people than live in Las Vegas). And the comments these people posted about the video are really enlightening – 100% were in admiration of the horses and how "cool" it was that they roam free.

This infatuation with our horses has gone viral in the business world. A couple of examples. Here's a headline from the Financial Post:

## Hidden where cowboys gamble and wild horses roam: Tesla turns on its \$5-billion Gigafactory

(<a href="http://business.financialpost.com/transportation/hidden-where-cowboys-gamble-and-wild-horses-roam-tesla-turns-on-its-5-billion-gigafactory">http://business.financialpost.com/transportation/hidden-where-cowboys-gamble-and-wild-horses-roam-tesla-turns-on-its-5-billion-gigafactory</a>)

Here's another quote from CNN Money:

"Musk said he can get emotional thinking about this giant battery factory.

"I think it's quite romantic, actually," he said.
When finished it will be shaped almost like a diamond with one end pointed toward true north. Also, it's nestled in a valley through which thousands of wild horses roam in the desert heat."

(http://money.cnn.com/2016/07/26/technology/tesla-gigafactory/index.html)

And there are a huge number of other articles and quotes about Tesla, TRI, and Nevada mentioning the wild horse. A google search of "Gigafactory wild horses" will quickly demonstrate how pervasive and popular our wild horses are in the global business world. And as you know, Rob Roy and Adam Kramer absolutely love the horses and even donated money to the group doing the darting out here at TRI, which is no longer allowed since the termination of the cooperative agreement.

Transferring these horses to private ownership means they are no longer roaming free. They would be domesticated by law and in reality. In addition, the private group would overnight become liable for any accidents on fenced roads and highways, as the horses would be domesticated. (NRS 568.360.) This makes it virtually impossible for any private group to take ownership in a responsible way. This would hurt your new brand considerably.

An idea to consider. What about asking the NDA just to hold off for a few months on implementing this huge change, until we have a state sponsored conference under the auspices of your office on the Virginia Range wild horses? Let's bring in Tesla, Switch, Google, Reno Land, TRI and the wild horse advocates, and NDA and see if we can get a solution that works for everyone. There would not seem to be any urgency on the NDA unloading the horses to a private group. Perhaps this could allow the corporate stakeholders here to influence the fate of the horses along with the advocates and absorb the expense, while the horses would remain under state ownership and protection?

I appreciate your consideration here, as this is potentially an explosive issue in this region. Thanks again, Governor, for all your great support over the years.

Feel free to contact me direct at 775-412-5999.

Very truly yours

L. Lance Gilman Authorized Representative

P.S. My staff sent an email to your website email account about Roger Norman's exclusive Christmas Party at the Pennington Mansion on December 22 at 6 pm. They would love to have you attend. It's a private party with business leaders from TRI and Reno. All friends. If this would be of interest to you I can make all necessary arrangements and coordination. All the best, Lance