



February 7, 2018

VIA HAND DELIVERY

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

Subject: Request for Appointment of Mediator by the Governor's Office

Governor Sandoval,

Thank you for encouraging Jim Barbee to meet with me to listen to concerns from TRI and our companies about the pending divestment by the Nevada Department of Agriculture of all involvement with the Virginia Range wild horses.

Sadly, the meeting with Jim resulted in no movement whatsoever by the NDA to even hear proposals from TRI or our companies working on Wild Horse issues like Switch and Blockchains for a compromise workout of this issue. And, he would not come out to TRI for a visit to tour the very facilities and people this decision will impact. Further, he was not willing to meet with local wild horse advocates.

I have a number of concerns that I feel you should be informed about. First, is the increasing threat to public safety during the bid process and an even higher threat to the public should this plan be pushed through to completion. We have received no response from our request to Mr. Barbee that in the interim period after his termination of the cooperative agreement we be allowed to have darters continue their very effective program of birth control. This means the birth control program which has proven so successful at TRI has not been in operation now for nearly a half a year. This will have immediate consequences of a higher horse population and, therefore, an immediate increase in danger to the public on roads and highways.

Second, no private horse group has been able to secure liability insurance for the statutory liability imposed on the new owner under the NDA plan (NRS 568.360 – owner is liable for damages caused by horse versus auto/truck collision on fenced rights of way). Thus, when the new owner is sued for accidents, they will go bankrupt in short order. And there is a major question as to whether the state may legally divest ownership, and if the transfer is determined to be invalid, that would be a major problem for everyone. This RFP process is not in the public interest.

Third, there is nothing in the NDA plan that guarantees horses will not be sent to slaughter, and nothing in the NDA plan that guarantees the horses will not be completely removed from the Virginia Range. The RFP states that is the "intent" but that is not an enforceable condition.

Fourth, allowing this plan to move forward to completion will be a huge political issue in Northern Nevada, putting Republican candidates at great risk with their constituents who favor the horses running free and preserving their way of life. In an already contentious year, Republican candidates do not need this issue put on their backs on top of other issues they are

contending with. I can state with absolute certainty the wild horses have a loud and dedicated universe of advocates in Northern Nevada and the voting base up here favors keeping the horses wild and running free by a wide margin. The RFP as drafted would destroy their way of life.

I firmly believe there is a win-win solution here. The advocates I believe are willing to work to meet the needs of the NDA for a new cooperative agreement. We have great corporate support in place with the companies in TRI (Switch and Blockchains to name just a couple example companies who are onboard) and ready to help the advocate groups with major funding and support. Blockchains, who just purchased 64,000 acres in TRI and is locating their world headquarters here, has already made detailed inquiries about what it would take to get the horse advocates what they need to effectively manage the population.

The only party so far unwilling to have any discussions about possible solutions is the NDA.

Governor, I highly recommend you appoint a mediator/facilitator to work with the parties and to work out a solution. Your action in appointing a mediator on the TMWRF/TRI pipeline project saved the day and a deal was worked out very quickly. Using that same proven technique here I believe would have a very high chance of success.

Failure to act quickly will lose this one-time opportunity, as the NDA is moving fast to eliminate the horses from state ownership. Once ownership is transferred, the wild horses and their way of life are gone from the landscape, forever.

There is no hurry for the NDA to carry out the RFP process. The Board of Agriculture did not set a deadline. So, the NDA could delay action on the RFP, if they wanted to, and if you directed them to do so.

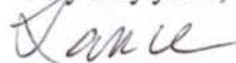
You have stood tall during your entire term as governor in crafting solutions to complex, heated issues between competing factions. You were magnificent in getting Democrats and Republicans alike to approve your Tesla and Switch abatements. Your work on upgrading Nevada education programs and budget sailed through despite opposition in your own party – but it was your political courage in standing firm on your priorities that won the day.

Please consider taking a stand on the Wild Horses and putting a trusted person in the role of mediator to help solve this knotty problem. What a fitting end to your tour as Governor that would be. It would be a great “full circle” moment in that the global cutting edge companies you brought in to Nevada through your blood, sweat, and tears would be championing the preservation of these wild horses for our children and generations to come.

Please feel free to call me to discuss if you would like.

Thanks so much for your consideration.

Very truly yours,



L. Lance Gilman