

**MINUTES**  
**LINCOLN COUNTY REGIONAL DEVELOPMENT AUTHORITY (LCRDA)**  
**January 11, 2016**  
**Caliente City Hall**  
**Caliente, Nevada**

The meeting was called to order by Chairman Pyatt at 4:30pm.

**Determination of Quorum:** The following Board members were present at the meeting:

Mr. Carl Pyatt  
Mr. Cody Christensen  
Mr. Jay Schofield  
Ms. Alice Rodowick  
Mayor Stana Hurlburt  
Mr. Kyle Donohue  
Mr. Varlin Higbee

It was determined that a quorum of the Authority was present at the meeting.

Also participating in the meeting was Dr. Mike Baughman, LCRDA Executive Director and Ms. Marcia Hurd who was attending the meeting on behalf of Dave Hurd.

**Public Comment:** None.

**Discussion and Action on Minutes of November 9, 2015 Meeting:** Ms. Hurd reported that Dave Hurd had noted one editorial change required on Page 2 of the draft minutes which was reviewed with the Board.. Following review of the minutes, Mr. Schofield moved and Ms. Rodowick seconded a motion to approve the minutes of the November 9, 2015 LCRDA meeting as amended. The motion was approved unanimously.

**Discussion and Action on Financial Matters:** Dr. Baughman reviewed the January 4, 2016 LCRDA financial report. He reported that total micro loan payments during the fiscal year through December 29, 2015 were \$527.24; that payments by the Governor's Office of Economic Development (GOED) for the basic grant had totaled \$27,500.00; that payment by GOED for the supplemental grant had totaled \$3,500.00; the that reimbursement payments from USDA RDA had totaled \$4,174.20 and that reimbursements from NV Department of Agriculture had been \$1,000.00 bringing total revenues on the year to \$148,701.44. He reviewed the two invoices submitted by Intertech Services Corporation for Executive Director services dated December 11, 2015 (\$3,780.81 and January 1, 2016 (\$ 6,227.28) and an invoice from Mr. Gary Elmer for provision of wood chip samples dated January 4, 2016 (\$88.12). He noted that if said invoices were approved for payment, total LCRDA expenditures through January 4, 2016 would be \$41,634.17. Ms. Rodowick moved and Mr. Higbee seconded a motion to accept the January 4, 2016 financial report and to approve the aforementioned three invoices for payment. The motion was approved by all.

**Discussion and Action on FY 14 USDA RBEG Grant Activities:** Dr. Baughman reported that he had prepared and submitted to USDA, RDA a request for reimbursement of 80 percent of the incurred travel expenses associated with his attendance on behalf of LCRDA at the Solar Power International Conference amounting to \$1,892.02. The balance of the 20 percent of said expenses was incurred by LCRDA as a matching expense. He reported that he continued to be in contact with several of the solar energy firms he had met with at the conference to discuss utility-scale solar development opportunities and sites in Lincoln County.

Dr. Baughman next reported that he had made initial travel arrangements to attend the April 11-13, 2016 International Biomass Conference in Charlotte, NC. He reminded the Board that USDA, RDA had previously approved LCRDA's request that a portion of the balance of the remaining unspent RBEG grant funds awarded to LCRDA be allowed to be spent to cover 80 percent of the travel expenses associated with his attendance at the Conference.

Finally, he reported that he had prepared and submitted the required quarterly reports for the FY 14 RBEG grant to USDA and that said reports had been accepted by the agency.

**Discussion and Action on FY 15 USDA RBDG Grant Activities:** Dr. Baughman reminded the Board that LCRDA had been awarded a \$15,800.00 Rural Business Development Grant (RBDG) by USDA, RDA to be matched by LCRDA with \$3,950.00 for a total grant project budget of \$19,750.00. These funds will be used to complete two tasks including 1) assessment of accessible PJ biomass within 50 miles of central Lincoln County located in Utah and 2) chemical and performance analysis of PJ wood chip samples.

Dr. Baughman reviewed an agreement with The Beck Group of Portland, Oregon which had been entered into to complete the assessment of accessible biomass for a cost not to exceed \$3,750.00. He also reported that he had arranged for the Idaho National Laboratory (INL) to complete the chemical and performance analysis of PJ biomass for a cost of \$16,000.00. INL is developing a Technical Services Agreement for execution by LCRDA to cover completion of the analyses. Dr. Baughman noted that he had arranged to obtain approximately 300 lbs. of pinyon and juniper wood chip samples from Mr. Gary Elmer. Dr. Baughman reported that he had shipped the samples to INL in Idaho Falls and that he had confirmed that INL had received said samples. Both the Beck and INL analyses should be completed by mid to late March 2016 in time for the results to be available for use by Dr. Baughman in meetings he intends to schedule with biomass industries while he attends the International Biomass Conference in April 2016.

Dr. Baughman concluded by reporting that he had prepared and submitted the required quarterly reports to USDA for the FY 15 RBDG grant awarded to LCRDA and that said report had been accepted by the agency.

**Discussion and Action on Building Lincoln County Revolving Micro Loans:** Dr. Baughman next provided an overview of payments on each of the outstanding micro loans through December 29, 2015. He reported that of the total \$78,500.00 in loans made, LCRDA had received loan payments (including principal, interest and late fees) totaling \$53,531.39. He next reported that he had met with the Cortez's at their restaurant in Alamo and that the new facility was very nice. However, he noted that there is no signage for the restaurant along Hwy 93 and

without said signage it was doubtful the business would survive. He reported that he discussed with the Cortez's the need to work with adjacent private land owners and Cory Lytle with Lincoln County to get approval to place signage proximate to Hwy 93. He also reported that he reviewed with the Cortez's the delinquent status of their micro loan and specific amounts of principal, interest and late fees owed.

Dr. Baughman next reported that he had been unsuccessful in contacting Mr. Gary Barnett but that he had heard from Mr. Gary Elmer, who works with Mr. Barnett, that Mr. Barnett continues to grapple with significant health issues.

Dr. Baughman noted he had spoken with Mr. Randall Alfono regarding his delinquent micro loan and that Mr. Alfono had reported that he had started the Treasure Hunters and Consignments business in Caliente and was also renovating a home in Caliente to be sold in the near future. Dr. Baughman noted that Mr. Alfono had stated his hopeful intent to pay of the remaining balance of his micro loan in the next few months.

Dr. Baughman also reported he had talked with Mr. Karl Volk regarding the delinquent nature of his micro loan and that Mr. Volk represented that work had been very slow for him during the winter but that he expected things to pick up in the spring at which time he intended to make loan payments again.

Finally, Dr. Baughman reported that he had received no payments from the Mehring's nor had they returned his phone calls. Dr. Baughman noted that Mr. Mehring had met with representatives of MGM International and that it was his understanding that MGM was going to assist Mr. Mehring with transportation of his products to Las Vegas. Board members reported their understanding that MGM may have agreed to purchase Mr. Mehring's truck and also to provide him funding to enable him to expand his operation to meet MGM's demand for locally sourced produce.

**Update on Status of Industrial Clients:** Dr. Baughman described on-going interactions he had had or attempted to have with the following firms: ED10X; Healthy Heart Hydroponics; Dedicated To You; MGM Resorts International; and Union Pacific Railroad. Ms. Hurd read an update provided to Mr. Hurd by Jim Vanatta of Pegasus Energy which indicated the firm had obtained its financing; had incorporated in Nevada as Vortex Power, Inc. and the firm was hoping to begin construction as soon as possible. Mayor Hurlburt reported that the City of Caliente was applying for a CDBG grant to enable construction of a water line which would provide service to the vicinity of the proposed Vortex Power project site in Caliente.

**Overview of Economic Development Project for Which Assistance from the Governor's Office of Economic Development Might be Requested** – Dr. Baughman reviewed the June 26, 2015 email from Peter Wallish of the Governor's Office of Economic Development (GOED) outlining GOED responsible staff and next steps for the seven priority initiatives in which GOED has agreed to be of assistance. He noted that staff of Vidler continued to be in the process of developing energy production cost estimates for the project. Said costs are to be provided to Steve Hill, GOED Director, as a follow up to the meeting Dr. Baughman and Vidler staff had had with Mr. Hill and representatives of the Toquop Energy Project to discuss ways in which

GOED might help to identify and secure both off-takers for the energy produced by the project and a developer for the project..

Dr. Baughman next reported that he had worked with the GOED staff to arrange a January 12, 2016 planned meeting among representatives of Coyote Springs and Mr. Hill to discuss how GOED might assist in attracting industrial development to locate at the CSI site in Lincoln County. Dr. Baughman then described his coordination with GOED staff regarding a possible supplemental grant to fund redevelopment planning in the City of Caliente. He noted that GOED had awarded \$3,500.00 to be matched by LCRDA to be used to retain Better City, a consulting group, to undertake the planning. He noted that an agreement between LCRDA and Better City for the work had been executed. Representatives of Better City have had to cancel two planned trips to Caliente to obtain input from community and business leaders due to weather. Representatives of Better City are now considering coming to Caliente in early February. Mayor Hurlburt discussed the benefits to the City of having such a plan developed, particularly in positioning the City to better compete for future Community Development Block Grants required to implement the plan.

Dr. Baughman reported that HR 1815, Lincoln County desired amendments to the Lincoln County Land Act and Lincoln County Conservation, Recreation and Development Act, had been heard in the Public Lands Subcommittee of the House Energy and Natural Resources Committee and was awaiting a markup session in the full committee.

**Public Comment:** None.

**Board Member Reports:** Dr. Baughman responded briefly to several written questions provided by Ms., Hurd on behalf of Mr. Hurd noting that the Lincoln County Commission was fully engaged in responding to the BLM sage grouse land withdrawal plan; that despite several calls and emails he had not heard anything new from Pat Lynch of Dedicated to You; that Mr. Ben Rowley and he were working to transfer the LCRDA website domain name from Jason Pitts to LCRDA; and that the new LCRDA website was now fully functional and live; that he had monitored the Dry Lake Valley SEZ teleconference and that same was focused not on Dry Lake Valley in Lincoln County but on the Dry Lake Valley SEZ at Apex in Clark County; and finally that the incentives provided by the State of Nevada to Faraday Future actually required that all taxes be paid by the firm and held in escrow by the State until such time that certain investment and employment criteria were met after which the abated taxes could be refunded to Faraday and in the event the required investment and/or employment criteria were not met, the State kept the proceeds of taxes already paid and held in escrow.

**Next Meeting Date:** The next meeting of the LCRDA Board of Directors will be held via teleconference on February 22, 2016 at 4:30pm. Mr. Christensen suggested using Google Handouts as cost effective platform for future LCRDA teleconference meetings.

**Adjournment:** There being no further business to come before the Authority the meeting was adjourned at 6:00pm.