

MINUTES
LINCOLN COUNTY REGIONAL DEVELOPMENT AUTHORITY (LCRDA)
June 13, 2016
Caliente City Hall
Caliente, Nevada

The meeting was called to order by Chairman Pyatt at 4:34pm.

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

Mr. Carl Pyatt
Mr. Dave Hurd
Mr. Jay Schofield
Mayor Stana Hurlburt
Dr. Holly Gatzke
Mr. Kyle Donohue
Commissioner 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; Mr. John Christian and Mr. Paul Donohue, both of Lincoln County Telephone System.

Public Comment: None.

Discussion and Action on Minutes of April 25, 2016 Meeting: Mr. Hurd noted the need for a minor editorial change to Page 3 of the draft minutes. Following review of the draft minutes, Mr. Hurd moved and Mr. Schofield seconded a motion to approve the minutes of the April 25, 2016 LCRDA meeting, as amended. The motion was approved unanimously.

Discussion and Action on Initiatives to Enhance Cellular Phone Service in Lincoln County: Mr. Hurd provided an overview of his reasons for requesting this item be placed on the agenda noting that limitations in cell phone service in various areas of Lincoln County might serve as a detriment to economic development in the County. He asked if the representatives of Lincoln County Telephone System (LCTS) present at the meeting could discuss what might be done to enhance cell service in the County and what, if anything, LCRDA might be able to do to assist with said enhancement of service.

Mr. Christian of LCTS explained how cell phone coverage in the County varied and the reasons why. He noted that LCTS is currently working with Verizon to improve cell phone service in Lincoln County, with the goal to move toward 5G service. He observed that LCTS does not drive the boat with regard to the quality of cell coverage in the County, with that role being in the hands of the cellular phone companies themselves. He further noted that the location and capability of the 13 telecommunications towers owned by LCTS was a factor in cell phone coverage and that LCTS may need to replace all 13 towers at an estimated cost of \$100,000 per tower. Mr. Christian observed that use of towers owned by LCTS were made available for a fee to various cellular service providers on which to locate their equipment. The group discussed

various grant programs which might be available to provide funding to assist LCTS with tower replacement. FirstNet was discussed as a program for public safety telecommunications which might be a source of funding. Grants from USDA and FCC were also discussed.

The need to expand broadband capacity throughout the County was also discussed by LCTS representatives who noted that an extensive network of fiber had been laid throughout the County serving each community area. Mr. Christian noted that upgrading cell and broadband service in Caliente was a priority with a new tower needed in the community. In response to a question from LCRDA Director Donohue, Mr. Christian noted that a data center could be located in Caliente with access to 10 gigabytes of capacity. LCTS's Mr. Donohue observed that the upstairs area of the Caliente City Hall once used for the community college had excellent broadband capacity with 22 ports and would work well for a small call center.

In response to a question from Mr. Schofield, the LCTS reps noted that County residents could subscribe to various cellular and data service providers, including HughesNet.

The discussion concluded with a suggestion that the LCRDA Executive Director coordinate with LCTS staff to discuss ways in which LCRDA might assist LCTS to secure grant funding to assist with enhancements to cellular service and broadband capacity in Lincoln County.

Discussion and Action on Financial Matters: Dr. Baughman reviewed the LCRDA financial report dated June 4, 2016. He reported that in addition to the beginning balance in the Capital Projects/Grant Match Fund, total micro loan payments during the fiscal year through June 1, 2016 were \$4,401.31; that payments by the Governor's Office of Economic Development (GOED) for the basic grant had totaled \$55,000.00; that payment by GOED for the supplemental grant had totaled \$3,500.00; that reimbursement payments from USDA RDA RBEG had totaled \$8,000.00 and USDA RDA RBDG \$15,800.00, respectively and that reimbursements from NV Department of Agriculture had been \$1,000.00 bringing total revenues on the year to \$197,760.73. He reviewed one invoice submitted by Intertech Services Corporation for Executive Director services dated May 2, 2016 (totaling \$8,196.89 of which \$1,001.00 is allocated to Trade Show Expenses (Exec. Director)) and June 4, 2016 (\$4,002.20); an invoice from Nevada Central Media, LLC dated May 15, 2016 (\$1,750.00) and June 3, 2016 (\$1,200.00); an invoice from Better City, LLC dated May 3, 2016 (\$3,500.00) and an invoice from Gary Elmer dated June 10, 2016 (\$84.36) (which was not included in the June 4, 2016 financial report but reviewed by Dr. Baughman during the meeting. He noted that if said invoices were approved for payment, total LCRDA expenditures through June 10, 2016 would be \$103,941.81. Mr. Hurd moved and Mayor Hurlburt seconded a motion to accept the June 10, 2016 financial report as revised to reflect the additional invoices and to approve the aforementioned invoices for payment. The motion was approved by all.

Mayor Hurlburt noted that she intended to have the City of Caliente consider making a payment of \$1,000.00 to LCRDA prior to fiscal year end on June 30, 2016.

Discussion and Action on FY 17 Agreement for Executive Director Services between LCRDA and Intertech Services Corporation – Dr. Baughman reviewed the proposed agreement noting that a revised Exhibit B, Fee Schedule was proposed to reflect current

approved Lincoln County travel reimbursement rates. Mr. Hurd moved and Mr. Schofield seconded a motion to approve the FY 17 agreement for Executive Director Services between LCRDA and Intertech Services Corporation including the revised Exhibit B, Fee Schedule, to reflect Lincoln County approved travel reimbursement rates. The motion was approved unanimously.

Discussion and Action on Exercise of Option by LCRDA to have Nevada Central Media, LLC Continue LCRDA Website Hosting and Maintenance Activities during the Period July 1, 2016 through June 30, 2017: Dr. Baughman reviewed the existing agreement for website maintenance and hosting between LCRDA and NV Central Media and pointed out the provision calling for an option to have the firm provide website hosting and maintenance during FY 17. He next reviewed a proposed letter from LCRDA to NV Central Media exercising said option for services during FY 17. A motion to approve the letter notifying NV Central Media that LCRDA intended to exercise the option to have the firm continue to provide LCRDA website hosting and maintenance during FY 17 was made by (???) and seconded by (???). The motion was approved by all.

Report on Closeout of FY 14 USDA Rural Business Enterprise Grant (RBEG) Grant Activities: Dr. Baughman reported that all required deliverables for the subject grant had been completed and that he had prepared and submitted to USDA a final Federal Financial Report; Request for Reimbursement; and Progress Report for the FY 14 USDA RBEG grant awarded to LCRDA. He noted that final payment had been received from USDA.

Report on Closeout of FY 15 USDA Rural Business Development Grant (RBDG) Grant Activities: Dr. Baughman reported that all required deliverables for the subject grant had been completed and that he had prepared and submitted to USDA a final Federal Financial Report; Request for Reimbursement; and Progress Report for the FY 15 USDA RBDG grant awarded to LCRDA. He noted that final payment had been received from USDA.

Discussion and Action on Industry Attraction and Marketing Initiatives: Dr. Baughman reported that he did not have any recommendations for new marketing initiatives as LCRDA was focused on working with existing leads. He noted that he had secured a commitment from the US Forest Service to pay up to \$2,500.00 for additional testing of pinyon and juniper wood chip samples by Biomass Energy Lab. He reminded the Board that they had previously agreed to expend up to \$3,000.00 for said additional testing, but now the cost to LCRDA would be zero. No action was taken on this item.

Discussion and Action on Building Lincoln County Revolving Micro Loans: Dr. Baughman next provided an overview of the letters he had sent, at the suggestion of the Board, to delinquent borrowers (Alfano, Barnett, Cortez, Scoville and Volk) and the intent of the Board to consider referring said loans to collection agencies during the June 13th LCRDA meeting. Dr. Baughman reported that Mr. Volk had made the required good faith payment of \$321.04. He reported that the other borrowers contacted by Certified Mail had not responded with a payment or otherwise contacted him. He recommended that the Alfano, Scoville, Barnett and Cortez loans be referred to Clark County Collection Services for collection. Mr. Schofield commented that he did not believe LCRDA should have its Executive Director expend any further effort in seeking payment

from delinquent micro loan borrowers and that said borrowers had been provided ample opportunity to repay their loans. Mr. Hurd moved and (????) seconded a motion to refer the Alfano, Scoville, Barnett and Cortez loans to Clark County Collection Services for collection. The motion was approved by all.

Update on Industrial Clients: Dr. Baughman reported on his ongoing coordination with FRAM Renewables, AEG Coalswitch, Wildland Forestry and Enerparc. He noted that representatives of AEG Coalswitch and Wildland Forestry would be in Lincoln County on June 29th to meet with BLM staff, local elected and appointed officials and to tour pinyon and juniper woodlands. Dr. Baughman also reported that HR 1815, Lincoln County requested amendments to the Lincoln County Land Act (LCLA) and the Lincoln County Conservation, Recreation and Development Act (LCCRDA), had passed the House of Representatives and was now awaiting action in the U.S. Senate. He further reported that staff to Senator Heller had indicated that they were hopeful that HR 1815 would go straight to a committee markup as a means to expedite Senate processing of the bill.

Mr. Hurd reported on progress by Pegasus Energy noting that the firm had decided to establish a manufacturing facility in Caliente at the Meadow Valley Industrial Park. Mr. Hurd distributed a description of the proposed fabrication facility and a discussion of siting said facility at the industrial park occurred. Mr. Hurd noted that representatives of the firm were desirous of hosting a community meeting in Caliente in July to discuss their plans.

Mr. Hurd also reported that he had been asked by Lincoln County Commissioner Phillips to discuss with representatives of Pegasus Energy the capability and interest of the firm to use Lincoln County derived solid waste as a feedstock in their plant(s) as a means of assisting Lincoln County to manage its municipal solid waste. A general discussion of the contract negotiations between Lincoln County and Recology regarding municipal solid waste management ensued.

Discussion and Action on Possible LCRDA Application(s) for Grant funding for Development of Additional Mountain Bike Trails in Lincoln County: Dr. Baughman reported that he had participated in a teleconference call among representatives of LCAT, BLM, NV Division of State Parks and IMBA to discuss the status of the Caliente mountain bike trail construction and to discuss the planning and development of additional trails linking Caliente and Kershaw Ryan State Park to other state parks in the County and/or providing mountain bike trail access to other areas of the County. He noted that IMBA representatives had inquired as to LCRDA's willingness to serve as applicant for a new grant from the Nevada Commission on Tourism to fund further mountain bike trail planning in the County. Dr. Baughman reported that the total estimated grant request would be \$65,000 to \$75,000 and that IMBA staff had agreed to do the work necessary to develop said application. Board members favorably discussed expansion of the mountain trail system in Lincoln County. Mr. Hurd moved and Mayor Hurlburt seconded a motion to have LCRDA work with IMBA to develop a grant application to the Nevada Commission on Tourism for planning of additional mountain bike trails in Lincoln County.

Discussion and Action on Implementation of Better City, LLC Prepared Redevelopment Strategy for the City of Caliente: Dr. Baughman noted that he had placed this item on the agenda in the event that the City of Caliente might require any assistance from LCRDA with implementation of the Better City prepared redevelopment strategy for the City of Caliente. Mayor Hurlburt reported that no such assistance was required at this time. No action was taken on this item.

Board Member Reports: Dr. Gatzke reported that her office had received a Workforce Connections contract to provide workforce development services in Lincoln County. As a result, her office will be seeking to hire a job developer. She noted that one program goal was to get a person on an internship with the City of Caliente to become a certified system operator.

In response to a question from Mr. Hurd, Dr. Baughman explained the meaning and significance of the recent congressional finding of carbon neutrality for biomass utilization as an alternative energy source.

Commissioner Higbee reported that a drone company currently operating out of the Henderson Airport has expressed interest in moving its drone testing operations to the Alamo Airport. He noted that there is a need to construct a water line from the Town of Alamo to the airport to support operations of the drone company and other aviation activities which may occur at the site. Dr. Baughman commented that Community Development Block Grant (CDBG) funding may be available for such a project.

Public Comment: None.

Next Meeting Date: The next meeting of the LCRDA Board of Directors will be held via teleconference on August 15, 2016 at 4:30pm.

Adjournment: There being no further business to come before the Authority the meeting was adjourned at 7:22pm.