

**MINUTES**  
**LINCOLN COUNTY REGIONAL DEVELOPMENT AUTHORITY (LCRDA)**  
**August 15, 2016**  
**Teleconference Meeting**

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

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

Mr. Dave Hurd  
Mr. Jay Schofield  
Dr. Holly Gatzke  
Mr. Kyle Donohue  
Ms. Alice Rodowick

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.

**Public Comment:** None.

**Discussion and Action on Minutes of June 13, 2016 Meeting:** Mr. Hurd noted the need for a minor editorial change to Pages 3 and 4 of the draft minutes. Following review of the draft minutes, Mr. Schofield moved and Dr. Gatzke seconded a motion to approve the minutes of the June 13, 2016 LCRDA meeting, as amended. The motion was approved unanimously.

**Discussion and Action on Financial Matters:** Dr. Baughman reviewed the June 30, 2016 financial report noting that it represented the FY 16 yearend report. Through June 30, 2016 total revenues were \$197,760.73. Expenditures through June 30<sup>th</sup> include an invoice from Intertech Services Corporation for Executive Director services during the period June 5, 2016 through June 30, 2016 in the amount of \$4,354.73 bringing the total expenditure for Executive Director for the year to \$70,000.00. In addition, an invoice from Gary Elmer for the provision of wood chips dated June 10, 2016 in the amount of \$84.56 was also reviewed bringing the total expenditure for Pinyon-Juniper Chemical Analysis during the fiscal year to \$16,172.68. Total expenditures through June 30, 2016 were \$108,140.68 leaving an unspent balance of \$89,620.05 which Dr. Baughman noted was subject to verification by the Lincoln County Auditor. In response to a question from Mr. Hurd, Dr. Baughman noted that the amount of labor and expenses accrued by Intertech during the period of June 5, 2016 through June 30, 2016 in excess of remaining available contract funds was only \$514.64 and that he did not believe it was necessary for LCRDA to seek to reimburse Intertech for said expenditures. Ms. Rodowick moved and Mr. Donohue seconded a motion to accept the June 30, 2016 LCRDA financial report and to approve the invoice from Intertech Services Corporation for Executive Director services during the period June 5, 2016 through June 30, 2016 in the amount of \$4,354.73 and the invoice from Gary Elmer for the provision of wood chips dated June 10, 2016 in the amount of \$84.56 for payment. The motion was approved unanimously.

Dr. Baughman next presented the proposed amended FY 17 LCRDA budget explaining that the proposed amendments included revising the Revenues to include a Capital Projects/Grant Match Fund opening balance from \$95,940.00 to \$89,620.05 resulting in a reduction in Total Revenue from \$199,640.00 to \$193,320.05. He next reviewed proposed changes in expenditures and suggested revising the Expenditures category to reduce the Capital Projects/Grant Match Fund from \$80,120.00 to \$73,800.05; adding a new expenditure line item of Molly Roemer – Value Added Ag. Contract in the amount of \$13,000.00; and reducing the UNR Cooperative Extension –Value Added Ag Grant expenditure line item from \$26,450.00 to \$19,450.00 resulting in a reduction in Total Expenditures from \$199,640.00 to \$193,320.05. Mr. Hurd observed that the date of the proposed amended budget needed to be changed from 8/15/17 to 8/15/16. Mr. Schofield moved and Ms. Rodowick seconded a motion to adopt the amended FY 17 LCRDA Budget including the aforementioned date change and the motion was approved by all.

Dr. Baughman then reviewed the August 6, 2016 LCRDA financial report explaining that it represented the first such report for FY 17. Dr. Baughman began by noting that the Total Revenue and Total Expenditure amounts shown on the report for the FY17 Adopted Budget column should be \$193,320.05, respectively, as these are the amounts of the amended FY 17 LCRDA budget just approved by the Board. He noted that as of August 6, 2016 LCRDA had received \$13,750.00 from GOED and \$650.00 in micro loan payments. Combined with the opening fund balance, total revenues through August 6, 2016 for LCRDA were \$104,020.05. He noted that as of August 6, 2016 LCRDA had received two invoices, one dated August 6, 2016 from Intertech Services corporation for LCRDA Executive Director services in the amount of \$3,640.00 and one dated July 3, 2016 from Nevada Central Media, LLC for FY 17 LCRDA website maintenance and hosting in the amount of \$1,200.00 for total expenditures through August 6, 2016 of \$4,840.00. Mr. Donohue moved and Dr. Gatzke seconded a motion to accept the August 6, 2016 LCRDA financial report as amended and to approve payment of the invoice dated August 6, 2016 from Intertech Services corporation for LCRDA Executive Director services in the amount of \$3,640.00 and the invoice dated July 3, 2016 from Nevada Central Media, LLC for FY 17 LCRDA website maintenance and hosting in the amount of \$1,200.00. The motion was approved unanimously.

The Board next considered a proposed Memorandum of Agreement between the Board of Lincoln County Commissioners and LCRDA for existing business retention and expansion and industry attraction initiatives in Lincoln County. Dr. Baughman noted that the Board of Lincoln County Commissioners approved budget for FY 17 included the \$10,000.00 in County funding requested by LCRDA. He explained that similar MOA's had been used in the past as the vehicle for the County providing funding support to LCRDA. In response to a question from Mr. Hurd, Dr. Baughman explained that the MOA anticipates quarterly payments by the County to LCRDA in the amounts of \$2,500.00 as described in Attachment A of the proposed MOA. Dr. Gatzke moved and Mr. Donohue seconded a motion to approve the MOA. The motion was approved by all.

**Discussion and Action on LCRDA Letter to U.S. Senators Murkowski and Cantwell Requesting that the Eastern Nevada Land Implementation Improvement Act (H.R. 1815) be Scheduled for Action During the Next Business Meeting of the Senate Committee on Energy and Natural Resources:** Dr. Baughman reviewed the proposed letter from LCRDA to Senators Murkowski and Cantwell and observed that a similar letter from Lincoln County had been approved by the

Board of Lincoln County Commissioners earlier in the day. He noted that the proposed LCRDA letter was a follow up to a letter from Senator Heller to Senators Murkowski and Cantwell also requesting that HR 1815 be brought up for action soon. Mr. Schofield moved and Ms. Rodowick seconded a motion to approve the LCRDA letter to Senators Murkowski and Cantwell. The motion was approved unanimously.

**Discussion and Action on LCRDA Letter to U.S. Congressman Crescent Hardy Expressing the Appreciation of LCRDA for His Work in Securing Passage of the Eastern Nevada Land Implementation Improvement Act (H.R. 1815) Out of the House of Representatives:** Dr. Baughman reviewed the proposed letter from LCRDA to Congressman Hardy and reported that a similar letter from Lincoln County had been approved by the Board of Lincoln County Commissioners earlier in the day. He noted that Congressman Hardy had been instrumental in obtaining House of Representatives passage of HR 1815 on a vote of 360 to 7. In response to a question from Mr. Schofield regarding the status of the Atlanta Mine, Dr. Baughman replied that he had not been in contact with mine representatives recently but would contact Mr. Oliver with the mining company and Joe Phillips of Sunrise Engineering to get an update on the project. Mr. Donohue moved and Ms. Rodowick seconded a motion to approve the LCRDA letter to Congressman Hardy. The motion was approved by all.

**Discussion and Action to Support Submission by Lincoln County and/or the City of Caliente of Community Development Block Grant Applications to Fund Construction of a Water Line to Serve the Alamo Airport and/or to Fund Construction of a Telecommunications Tower:** Dr. Baughman reminded the Board that at its June 13, 2016 meeting representatives of Lincoln County Telephone System had been present at the meeting and had discussed the need for a new telecommunications tower in the Caliente area to improve telecommunications services. He also noted that at the same meeting, Commissioner Higbee had noted that a water line from Alamo serving the Alamo Airport was needed to provide fire protection and culinary water to support the facilities and activities of a drone company interested in locating its testing activities at the airport. He further reminded the Board that he had agreed to assist in identifying sources of funding for both projects.

He reported that he had been contacted by GOED staff who indicated that a second round of Community Development Block Grant (CDBG) funding in the approximate amount of \$350,000 was going to be available. Dr. Baughman noted that he had subsequently informed Mr. Paul Donohue of Lincoln County Telephone System and both Commissioner Higbee and Wade Poulsen of Lincoln County Water District of the availability of CDBG funding and its possible applicability for funding the telecommunications tower and Alamo water line projects. He reported he had also been in communication with Elaine Zimmerman, Lincoln County Grants Administrator, regarding the potential for Round 2 CDBG funding as a source of monies for the projects. Dr. Baughman indicated it was his understanding that the parties were looking into whether or not to develop and submit CDBG applications for the aforementioned projects. Mr. Hurd noted that the City of Caliente might also be submitting a CDBG application for the FY 17 round of funding for downtown improvements. Ms. Rodowick moved and Mr. Schofield seconded a motion for LCRDA to support the submission of applications for CDBG funding for the aforementioned projects. The motion was approved unanimously.

**Discussion and Action on Submission of a Grant Application to the Nevada Commission on Tourism for Funding to Undertake Planning of Additional Mountain Bike Trails in Lincoln County:** Dr. Baughman reported that Patrick Kell of IMBA had emailed him to indicate that he had learned that the NV Commission on Tourism grant program was not a good fit for funding the planning of additional bike trails and that a related grant application was not going to be developed. No further action on this item was taken.

**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. Mr. Hurd asked if there were any upcoming trade shows which LCRDA might consider for participation and Dr. Baughman responded that he had not identified any at this time. No action was taken on this item.

**Discussion and Action on Building Lincoln County Revolving Micro Loans:** Dr. Baughman reviewed the summary of micro loan payments noting that Mr. Karl Volk was making payments on his restructured loan. He reported that to date, total loan payments, including principal, interest and late fees were \$58,582.70 and that total funds loaned had been \$78,500.00. Mr. Hurd reminded the Board that of the total amount of monies loaned, most had been capitalized with funding provided by the USDA in the form of grants to LCRDA and that all LCRDA funds used in making loans had now been paid back by borrowers.

Dr. Baughman reported that an agreement was now in place between Clark County Collection Services and LCRDA for debt collection services and that the Alfano, Barnett, Cortez and Scoville non-performing loans totaling \$14,445.31 had been referred to the firm for collection servicing. No action was taken on this item.

**Update on Industrial Clients:** Mr. Hurd reported that Jim VanNatta remained focused and committed to developing a waste-to-energy project in Lincoln County and had submitted a proposal to establish a waste-to-energy special district in the County aimed at resolving the County's solid waste management problem. He noted that Marcia Hurd had presented the special district concept to the Board of Lincoln County Commissioners earlier in the day and that the proposal had been favorably received in concept form. He anticipates the proposal will be given formal consideration and possibly acted upon during the Commission's September 6<sup>th</sup> meeting.

Dr. Baughman indicated he was continuing to work with the following entities: E2G; Estuary Capital Partners; American Biochar; AEG Coalswitch; Future Metrics; Encompass Biotech; Enerparc among other industrial leads. He also reported that Union Pacific Railroad has appointed Mr. Rex Vonnahme as the new industrial development specialist to handle the Lincoln County area and that he had provided information to Mr. Vonnahme regarding various industrial development opportunities in the County. In response to a question from Mr. Hurd, Dr. Baughman noted that he had not learned whether AEG Coalswitch staff had been successful in making contact with representatives of NV Energy regarding the possible use of industrial wood pellets in their remaining coal-fired generating units. Also in response to a questions from Mr. Hurd, Dr. Baughman reported that he was continuing to assist Enerparc staff in identifying possible buyers for the electrical energy to be generated from their proposed solar project at Rachel. He noted that he had met with Jill Daniels of Estuary Capital Partners earlier that

morning to discuss private land sites in Lincoln County for solar energy projects. As a result of said meeting, Ms. Daniels is scheduled to meet with representatives of Coyote Springs Investments regarding possible sites for solar development at Coyote Springs.

**Discussion and Action on Recommendations to the Board of Lincoln County**

**Commissioners of Possible LCRDA Director Candidates** – Dr. Baughman reminded the Board that Mr. Carl Pyatt, immediate past LCRDA Chairman, had tendered his resignation from the LCRDA Board of Directors. Dr. Baughman reviewed the structure of the Board noting that four members were appointed by the Caliente City Council; four members were appointed by the Board of Lincoln County Commissioners and the 9<sup>th</sup> member of the Board was appointed by the other 8. He noted that Mr. Pyatt had been an appointee of the County Commission and that the Commission would appoint a replacement for Mr. Pyatt. He further noted that in the past, LCRDA has identified 3-5 candidates who are willing to serve as LCRDA Director and have submitted those candidates to the Commission from among which they have made an appointment as LCRDA Director.

Mr. Hurd indicates that he would like to have Jim Shane of Pioche considered for appointment as an LCRDA Director and that he had spoken to Mr. Shane and he was willing to serve as LCRDA Director. Mr. Hurd reported that Mr. Shane had served for 42 years in the Navy and was a retired business operator from Las Vegas. Lacking other specific suggestions by the Board, Dr. Baughman suggested that Nolan Avery, Emilia Cargill and Spencer Hafen also be considered. Dr. Gatzke moved that Dr. Baughman contact Mr. Avery, Mr. Hafen and Ms. Cargill and that the names of any of them willing to serve as LCRDA Director be forwarded along with Mr. Shane as candidates for LCRDA to the Board of Lincoln County Commissioners. The motion was approved by all.

**Discussion and Action on Election of LCRDA Chairman and Vice Chairman:** Dr.

Baughman reminded the Board that each year at this time, consistent with the Interlocal Agreement establishing LCRDA, that the Board elects a Chairman and Vice Chairman for the coming year. Mr. Schofield moved that Dave Hurd be nominated as LCRDA Chairman and that nominations for Chairman be closed. The motion was seconded by Ms. Rodowick and approved unanimously.

Dr. Gatzke next moved that Alice Rodowick be nominated as Vice Chairman. Ms. Rodowick declined due to her schedule and the motion was withdrawn. Mr. Donohue moved that Jay Schofield be nominated as Vice Chairman and that nominations be closed. The motion was seconded by Dr. Gatzke and was approved by all.

**Board Member Reports:** Dr. Gatzke reported that her office had hired Christy Blood as a job developer under the UNCE Workforce Connections contract. She also reported that her office was proposing to expand their workforce initiatives to Mesquite and was proposing an expanded contract with Workforce Connections to include servicing Mesquite. No decision has yet been made on the proposal to include Mesquite in the UNCE program service area.

**Public Comment:** None.

**Next Meeting Date:** The next meeting of the LCRDA Board of Directors will be held September 19, 2016 at the Caliente City Hall at 4:30pm.

**Adjournment:** There being no further business to come before the Authority the meeting was adjourned at 6:17pm.