



## LINCOLN COUNTY BOARD OF COMMISSIONERS

May 23, 2016  
Commission Chambers  
Lincoln County Courthouse  
181 Main Street  
Pioche, Nevada

### Commissioners

Paul Mathews  
Kevin Phillips, Chair  
Adam Katschke, Vice Chair  
Paul Donohue  
Varlin Higbee

### **#1-CALL TO ORDER/ROLL CALL/INVOCATION/PLEDGE OF ALLEGIANCE**

Kevin called the meeting to order at 9:07 a.m. Clerk Lisa Lloyd called the roll.

PRESENT: VARLIN HIGBEE  
KEVIN PHILLIPS  
PAUL DONOHUE  
ADAM KATSCHKE  
PAUL MATHEWS

LISA LLOYD, Clerk  
DANIEL HOOGE, District Attorney

There is a quorum present and the agenda was posted on 5-16-16. The Invocation was offered by Paul D. and Varlin led the Pledge of Allegiance.

### **#2-PUBLIC COMMENT**

Kevin called for public comment. Jeremy Benezet advised that there was a question as to ownership of the water line on the western side of Pioche/Caselton area about 15 years ago. In 2004, Jeremy wrote a letter to the Commissioners. This letter requested that the ownership of the water line be determined as PPU no longer wanted to pay for the repairs to the water line. The Commissioners voted unanimously to have the PPU Manager hire a title company to determine ownership. This never happened. Recently, the issue of ownership has come up again. A Pioche Town Board meeting was held and Jeremy reminded them that this issue had already been voted on by the Commissioners. There is a possibility that the costs can be avoided for a title search if the committee appointed by PTB if this committee was able to come up with enough historic information showing ownership. This could result in some type of written statement showing ownership. PPU used to pay for the repairs to the water line. The Prince residents and Dalton Plant residents did most of the work but PPU provided the parts. After Pat Kelley retired, PPU decided they would not maintain it anymore. Eventually, PPU started billing the residents for the leaks and some of the bills incurred were several hundred dollars. Cindy Free stated that there are several issues involved with this water line. A new water line was installed by the owners of the houses in Caselton. There are many issues the committee will have to look at, many of which boil down to money. Jeremy commented that it appears that this problem will not be resolved easily, hence the creation of the committee to study this out and see if there is some determination as to the owner. Louis Benezet advised that he is here to make certain there is funding in the budget so the title search can go forward if it's necessary.

### **#3-FY 2016-2017 BUDGET**

This was the time and place set for public hearing on the FY 2016-2017 budget. Dan McArthur advised that he's done follow up on the centrally assessed tax issue and the significant decrease as well as whether or not we will have to refund prior year tax. There is no prior year tax refund. The drop has to do with the valuation of the company. The newly assessed valuation of the company is based on the same amount of line miles. Dan reviewed the General Fund. Current ending fund balance for the General Fund is \$182,360, which meets the minimum requirement. The change in scale has been factored in. Issues that have not been addressed in the budget: Recology and LC Detention Center. Dan reviewed the Alamo Town Budget, which has a fund balance of \$8,962. There is an extra \$5,000 in the ending fund balance that can be moved to services/supplies; historically they budget all of their ending fund balance. **Paul D. made a motion to move \$5,000 to Parks Services/Supplies; seconded by Adam. All voted in favor.** Dan met with Pioche Town Board to review their budget. The budget is acceptable by the Pioche Town Board. Pioche Town Board wanted to have the

contingency funds transferred to their capital projects fund. This budget makes that transfer. The potential change in the wage scales is included in the budget but the scales themselves have not been approved by the Board. Paul M. advised that they met again with Western Elite (WE) and have had some communications with Recology. For the next six months, WE will honor the rate we're currently paying. After that, the best estimate we have is that it will cost \$50,000 per month. WE has reviewed the mileage and it isn't as low as we'd hoped. The second issue is whether or not we'll end up in litigation with Recology. If we amortize the costs over thirty years, it's about \$10,000 per month, which means the real cost will still be about \$40,000. Paul M. commented that he doesn't know where in the budget we can start to collect money to supplement the account. Adam advised that WE will buyout Recology. Included in the \$50,000 per month cost, WE will do their billing. Recology is making about \$450,000 per year; for us to go to \$600,000 per year isn't an enormous increase. WE would take the steps to pay for their Class II. Eventually, the Crestline landfill site will be closed but WE has asked that the County will help pay for post closure monitoring and expenses. A special assessment will need to be created to help pay for this. Adam suggested that we consider dropping the centrally assessed fire district rate and use a portion of this for a centrally assessed landfill rate. Caliente and Alamo don't pay into the fire district. The current tax rate is capped. It would be ideal to have it put on the tax roll in such a way that centrally assessed would be added into the costs to the citizens' tax rate. There was some discussion about creating a landfill district in order to save the citizens money. Dan replied that the fire district tax rate only applies to those who are not inside of a district right now. The only reason this rate would be touched is because there is no cap; the Board would like to apply the tax to everything in the County. If the rate is applied to every piece of property in the County there are limitations as to how high the rates can be raised. The only place this would be a problem is Caliente since they're already capped. Daniel commented that a GID/SID can't be imposed upon Caliente. The district would have to be formed around them and then put on the rolls. The only problem we face then is Alamo. The district would have to be formed around Alamo and they would then have to be a special assessment on top. Adam stated that we need to figure out what percentage of garbage Caliente generates and then we can assess the rate based on that. Currently, Caliente pays about \$3,000 per month. Paul M. asked how a correction to the budget can be made in the middle of the year. For the Board to change everyone's garbage rate from \$212 to \$450 is not the best option. WE knows there are a great deal of inefficiencies; they'd like to work out something that is more equitable and work out those inefficiencies. Modifications will be needed and perhaps some grants, but this will allow the costs to be lower. We may need to change our dumpsters so they only have to be dumped once per month. The County generates 20 tons of garbage per day; if all of this went on one truck we'd be very efficient. WE is very motivated to figure out how we become efficient enough to get it all on one truck. Right now, the solid waste fund has a budget of \$300,000; this will double at the six-month mark. This means the current budget is \$150,000 short. The fire district generates about \$350,000 per year. The only reason the fire district rate is even being discussed is because this might be the only tax rate we have to work with. From discussions today, this isn't the only limiting factor. If Alamo and Caliente are removed from the district, there is some room. Dan stated it is a problem to get the GID/SID in place would require a board meeting to change tax rates, to implement ordinances/resolutions, but we're up against the wall to try and get it in place this year. It's easier to try and get it done for next year. Paul M. suggested that the special assessment generate about \$400,000 per year. It is important that this fund start accumulating a balance as it will allow for greater leeway with decisions. Paul M. further suggested that one-time monies can be identified to supplement this account for this year, but he only wants to do that if the funds can be returned to that account once the special assessment is in place. The total number of parcels is about 4,500 in the County. Adam suggested that an enterprise fund be set up for post closure of the landfill. Post closure includes 30 years of monitoring. Dan stated there is leeway to raise the tax rate, but it must be reviewed first. The abatement law will still override the raising of the tax rates. If we use some of the fire district rate the abatement laws won't have any impact. Dan suggested that a combination of the two be used, the special assessment and the tax rate. This might allow the assessment per parcel to be lowered. The abatement law will still limit the amount of revenue generated. Greg Barlow stated that the cost per parcel shifts the burden to the populace. Many landowners have a great deal of parcels, too. This helps to minimize the impact to the low income renters. Denice Brown, private person, commented that the burden is being shifted to the private property owners. As a farm owner with many parcels, the burden falls on these people because they're paying for each parcel. Ronda Hornbeck stated she has several parcels of many different sizes. Ronda will be forced to pay 15 times what an individual homeowner would pay based on the number of parcels she has. Property taxes, user fees, and special assessments are considerations to generate funds. Dan advised it is possible to submit the budget as is and work on this through the year. WE is going to buy Crestline; the cost to purchase it

and the cost for post closure will be put on the citizens of the County. Adam suggested that the County can also visit the amount of host fees being charged to Mesquite. Dan discussed Fund 67, which needs to be increased to \$450,000. Dan will roll the ending fund balance of \$116,000 into the current ending fund balance. This means the Board will only have to find about \$40,000 to supplement. Paul M. directed Dan to roll the ending fund balance and stated that we will have to negotiate to that amount for one year. **Paul M. made a motion to roll the ending fund balance and negotiate for that amount for the remainder of the year; seconded by Paul D.** Shawn stated that if this banks on the fact that every single dollar will be paid for landfill then this is incorrect; we never receive all the amounts due for landfill. **All voted in favor.** Kevin stated that the issue raised by Jeremy Benezet with regards to the ownership of the water line needs to be addressed. Daniel commented the title search is irrelevant; the pipes are out of date, they leak, and they're not to regulation. The real question is who will pay for it. The real assumption by the Benezet brothers is that if they can prove that PPU owns it then they think they can force the citizens of Pioche to pay for the pipe. Daniel has worked with Louis and Jeremy before on this issue. Kevin stated there is no way to come up with a pie in the sky number to pay for resolution on this matter. Adam was approached by a couple of Caselton residents who have said they will pay for the improvements if the County can set up some type of special assessment district. Greg Barlow stated there are no roads, no utility easements, or title to private property where the water line goes. **Adam made a motion to approve the final FY 2016-2017 budgets for Lincoln County, Lincoln County Regional Transportation, and the Towns of Pioche, Panaca, and Alamo as discussed; seconded by Varlin. All voted in favor.**

**#4-COYOTE SPRINGS GID**

This item was covered under separate agenda.

**#5-SOUTHEASTERN HABITAT CONSERVATION DISTRICT**

This item was covered under separate agenda.

**#6-LINCOLN COUNTY FIRE DISTRICT**

This item was covered under separate agenda.

**#7-PANACA FIRE DISTRICT**

This item was covered under separate agenda.

**#8-PUBLIC COMMENT**

Kevin called for public comment. Rick Stever, LC Fire District Chief, asked for discussion concerning how funds can be moved around with regards to landfill costs/fees. Dan McArthur and Kevin will meet with Rick to discuss this issue so that everyone understands what may happen. Paul D. stated that the landfill discussion concerned changing rates, not moving funds from the fire district.

**#9-ADJOURN**

There being no further business for the Board to attend to, Kevin adjourned the meeting at 10:35 a.m.

Attest: \_\_\_\_\_ Approve: \_\_\_\_\_