



LINCOLN COUNTY BOARD OF COMMISSIONERS

January 26, 2010
Commission Chambers
Lincoln County Courthouse
181 Main Street
Pioche, Nevada

Commissioners
Paul Mathews, Chair
Bill Lloyd, Vice Chair
Tommy Rowe
Ronda Hornbeck
Ed Higbee

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

Chairman Paul Mathews called the meeting to order at 9:08. Clerk Lisa Lloyd called the roll.

PRESENT: PAUL MATHEWS, Chair
BILL LLOYD, Vice Chair
ED HIGBEE
TOMMY ROWE
RONDA HORNBECK
LISA C. LLOYD, Clerk
GREG BARLOW, District Attorney

There is a quorum present and the agenda was posted on 1-19-10 to comply with the open meeting law. The Invocation is offered by Tommy and Bill led the Pledge of Allegiance.

#2-LINCOLN COUNTY ENERGY PROJECTS

This is the time and place set to discuss potential energy projects in Lincoln County. Ronda spoke with Senator Reid and advised him that the County will be sending forward a list of projects. Mike Baughman advised White Pine County (WP) received appropriations in the approximate amount of \$500,000. WP received the funding to evaluate feasible energy projects. WP is working to develop a proposal to pursue and use these funds. Nye County was awarded \$1 million to work on solar permitting and solar energy zones. This funding is to facilitate permitting of 1,000 mw of solar energy. LC was awarded \$250,000 for restoration of the Million Dollar Courthouse. The County has been working towards gaining funding for the LC Courthouse to make it more energy efficient. Mike encouraged the Board to consider a project in each of the areas of appropriations. Mike further encouraged the Board to consider pursuing a project similar to WP's. Funding like this would allow the County resources to get ahead of the curve and take a more proactive stance versus the current reactive stance that is forced upon us. There are a variety of things that can be done from geothermal to solar. Mike recommended the Board pursue appropriations to further the Habitat Conservation Plan (HCP) bank. The appropriations can be used to get infrastructure "on the ground". Renewable energy feasibility projects would be study related appropriations. These are not multi million dollar appropriations that would allow for the building of huge projects. The funding ranges between \$250,000-\$500,000. Ronda commented the County will struggle at this point as the HCP will be "on the ground" this May. City of Caliente will most likely be the first to use the HCP as they are looking at cleaning and implementing the park. In order to do this, the HCP bank must be put in place. Caliente has about 100 acres that can be used for the bank in order to move the HCP forward. The County doesn't have the funding to get started. The HCP is a huge concern for the County. If solar projects are implemented in the south it will mean mitigating tortoise habitat; again, the County doesn't have funding for this. When these projects are brought forward, it must be done so with solid numbers and facts. Most of the projects that have been funded are receiving funding at a 100% rate. Mike is confident the County will have 2-3 projects funded but they will require "babysitting". Ronda would like to see the hospital receive aid by submitting a project. Ronda suggested solar panels be placed on the roof of the courthouse. Jason Bleak doesn't have staff to do this sort of thing right now. The hospital is aware of their needs but they don't have staff to pursue the funding. Flood control is another issue that must be addressed, including Cold Springs Dam, one in Eagle Valley—these are drop structure dams. Flood Control met and fixed a leak on the Cold Springs Dam, but it was only a band aid. Ronda suggested Cold Springs needs to be pursued. Ken Dixon suggested that each project be brought forward by itself as opposed to working to obtain a lump sum for several of the drop structure dams. The County needs to be proactive on the solar energy projects and get the necessary studies in place. Mick Lloyd commented they've had several individuals contact the LC Power District concerning

moving power and different power projects. LCPD has worked out an agreement with Southern NV Water Authority (SNWA) and Evergreen for a waste oil burning project. LCPD will wheel the power for SNWA. A power exchange will be made at the Mead Substation and this will be a benefit to the County. The rest of the solar projects that LCPD has looked at are up in the air at this point. Any large projects will take a great deal of funding and transmission. Ronda encouraged LCPD to resubmit previous projects. Ronda suggested the first phase of the Alamo Industrial Park be put forward, which will cost about \$2 million. An EDA grant for \$2.3 million is in place and Mike believes we can go right to construction if we can come up with the other 40% for the match. Bill commented the Panaca Fairgrounds project for water, sewer and power can be considered. Phyllis responded that this is being worked on through a Southern NV Public Lands Management Act (SNPLMA) grant. Appropriations take about one year to receive. Ronda advised the Lincoln County Fire District should be added to the projects list. The County needs to get these project submissions completed and turned in soon. Pioche Public Utilities (PPU) must do some major work on their water. PPU is working with USDA, but they may have to pursue a loan versus a grant, which costs. The hearing on the communications tower is on March 24th and we should know within a week whether or not the County will receive funding. The County applied for the full \$198,000 but we may only be granted a portion. Mark Teepen advised they are close to implementing a project to develop solar on the mesa. Chris Armstrong remarked they are in the infancy stages of pursuing any projects; they are pursuing agreements at this time. Ronda also suggested biomass as a project to bring forward. WP has a pellet burning boiler at the school and Ronda suggested the County consider a biomass project similar to this. Biomass would not include clearing land, it would be thinning. Wells McGiffert commented the biomass project would be more a local project; not big enough to tap into the transmission. Transportation and aviation projects should be considered. Alamo Airport will receive approximately \$400,000 for design, but this is to be used before construction. The County will have to come up with a 5% match, which is a struggle. Many times the appropriations can't be used to match federal funding, but Phyllis Robistow, Grants Administrator, advised it can be done—there are ways to do it. You get the Senator or Representative to fix the language to eliminate the problem. Phyllis commented the town of Panaca needs flood control, which will cost about \$3-4 million. The study has already been completed and just needs to be updated. The LC Courthouse will get new windows, a new roof, and three zones of HVAC through appropriations, if received. There is some discussion about pursuing appropriations to retrofit the building for heating/cooling. Cory Lytle suggested pursuing a project to heat the LC Courthouse with biomass. The EDA grant is intended to answer the questions about how/where with regards to energy creation; it also has a thermal energy component. The supply of biomass has been the issue that has killed a great many of the suggested projects. Mike believes the County will get long term access to the biomass energy supply. Panaca Elementary construction will start in March; they are moving as quickly as possible so that they might be ready for next year. Ronda suggested that a project be put together to put solar on the new Panaca Elementary School. Interest from NV Energy Project has expressed interest in placing solar panels on the detention center. Retrofitting projects for some of the older buildings might be considered. Ronda addressed expanding the LC Detention Center (LCDC). There is some discussion about pursuing funding for a juvenile holding facility; the County could possibly even rent space to other counties. Sheriff Kerry Lee advised they've discussed expansion of the LCDC; this would allow for housing of females and juveniles. Kerry discussed the need to replace the HVAC system at LCDC; the cost is about \$100,000. Energy retrofits on all County buildings would save money as well as create jobs during the installation period. Clint Wertz commented that right now, the way the LC Code is written, there is a review project for public lands type projects for use permits. In terms of private land, the only area that has energy listed as a use is Coyote Springs. Amendments for other areas will have to be done. This is backwards for what we would want at this point, Clint said. Wells McGiffert, Bureau of Land Management (BLM), addressed the Board and updated the members on the Programmatic EIS (PEIS). Late 2010 is when a draft PEIS will be out for public comment. Many of the same initiatives will be done, including outreach in the community. The final is slated for fall 2011. Contradictory to what people wanted, it hasn't been quick. A great deal of time is being spent addressing comments received. Argon will be out this spring. Some of the timelines were too condensed and didn't allow for time to address all comments and concerns; that's why they are spending more time on the PEIS. Applications are still being received and the process still has to be followed. BLM is still pushing to develop some of these areas. There is some potential that study areas will be limited, but this has met with a great deal of contention from industry. These discussions continue to be held and solar development might be limited to certain zones. BLM is being flooded with renewable projects. Wells attended the global solar conference in Las Vegas. The southwest is driving the boat for solar development and there are many opportunities in LC. PE and Sterling Dish technologies are compatible with military and have less impact

on the ground. The projects can be done on a sliding scale, starting with smaller projects. The discussion is to only have a start and stop in Ely and Las Vegas for the SWIPP, but Wells said there will have to be interconnection, based on what is proposed. Agreements might be put in place to open up the interconnection. BLM will get flooded with projects as will the County. BLM has a proposed wind project, Spring Valley Wind, in WP; cost is about \$300 million. The main feeds are sales tax; State of NV has waived their sales tax. Approximately 2/3 of the tax will go to WP, or approximately \$4.6 million. Property tax must be paid on improved federal land. The projects are planned for thirty years and this will become one of the larger property tax payers in WP during the duration of the project. 150 mw project has about 150 workers; daily consumption adds up to about \$3.5-\$4 million per year. Most developers are willing to work with the community to set up funding for training. Specific training can be done in order to keep local folks employed. These projects don't bring in a great deal of long term jobs, only about 10-15, but these developers want employees that live in the community and are willing to stay here. BLM takes in rent based on MW output. For 150mw, it is about \$450,000-\$500,000 for rent per year. Legislation exists that entitles the County to about 20% of the rent. This is about \$100,000 that can be used to fund a program or staff member to process these types of projects. Taxes are also generated based on electricity. Plan of development hasn't been received for the Wind Labs project yet, but they want to meet with various community members. A plan of development will be presented to BLM the first full week in February for the wind generation project on Mt. Wilson and Table Mt. Wells has heard they will put together a phased plan for the three study areas between Wilson-Table, White Rock, and Atlanta Summit. They will do supplemental NEPA on the next two phases. If they are to move forward it will be about 700-750 mw total development; this will be detailed in the plan of development. Senator Reid's staff has met with Wells and they are very interested. The Pahroc Solar Project is still out there, but nothing has moved forward; this is solar reserve. Toquop Energy Center is going to abandon the coal fire proposal and potentially go back to the gas fired grant that BLM has already issued.

#3-PUBLIC COMMENT

Paul called for public comment. None is offered.

#4-ADJOURN

There being no further business for the Board to attend to, **Tommy made a motion to adjourn the meeting at 10:37 a.m.; seconded by Ed. All voted in favor.**

Attest: _____ Approve: _____