



LINCOLN COUNTY BOARD OF COMMISSIONERS

August 8, 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 1:05 p.m. Clerk Lisa Lloyd called the roll.

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

LISA LLOYD, Clerk
DANIEL HOOGE, District Attorney

There is a quorum present and the agenda was posted on 8-2-16. The Invocation was offered by Paul D. and Paul M. led the Pledge of Allegiance.

#2-PUBLIC COMMENT

Kevin called for public comment. Connie Simkins reminded the Board that the fair is this week. The N4 Grazing Board has written a letter regarding too many horses in NV, an unnatural disaster. Marcia Hurd, representing Pegasus Energy and Vortex Powering, presented alternative solutions for managing LC's solid waste. They recommend the County refrain from purchasing the landfill due to various issues, including long term liability. They recommend the County purchase a trash hauling truck as well as people to haul. It is recommended that two transfer stations be included, one in Alamo and one in the upper end of the County. They don't believe the interim solution of paying Western Elite (WE) for collection and transportation, in addition to tipping fees, is a reasonable solution for any length of time. They recommend the purchase of 40-yard open top containers and a special trailer for these containers, both to be used to transport compacted waste to Apex. Marcia suggested the County use the ThermoMax Vortex System and then the trash can be directed to Antelope Canyon, saving the long distance haul to Apex and eliminating the tipping fees. The final recommendation is for the Board to expedite the creation of a special purpose district in order to initiate the issuance of municipal or revenue bonds to finance the waste-to-energy facility.

#3-CRESTLINE LANDFILL OPERATIONS TRANSFER

Paul M. made a motion to approve the transfer of operations for the Crestline landfill to the County on the day the DA says it's acceptable and to turn it over to Cory Lytle and Shane Cheeny for operations; seconded by Paul D. All voted in favor.

#4- LANDFILL EMPLOYEE HIRING

This item concerns the hiring of 3 new or current employees on a part time or full time temporary basis to fill the positions of Landfill Biller, temporary Landfill Operator I, and temporary Landfill Laborer. There are three employees still working the landfill: Ryan Dixon, Ivan Jones, and Jennifer Lytle. They are more than capable and we will be losing a great deal of expertise if we don't hire those already working the landfill. We can hire them at no more than 1,000 hours through the end of the year. **Adam made a motion to hire the three individuals already working at the landfill (Mr. Jones, Mr. Dixon, and Ms. Lytle); seconded by Paul M. Daniel stated this only takes effect upon closing. All voted in favor.**

#5-LANDFILL EMPLOYEE WAGES

This item concerns the setting of wages for the temporary landfill employees. Operator II earns more than \$18 per hour. Adam cited that these positions require a higher rate than that suggested on the agenda. Adam

asked that the Landfill Biller be paid for their expertise. Adam suggested Landfill Biller be started at 27-04, Landfill Operator I at 28-03, and Landfill Operator II at 34-06 or 34-07. These higher rates are due to the years of service they've already put in working at the landfill. This does not include benefits with the County. Paul M. stated it's difficult when we hire someone at a certain grade but adjust the step right off the bat. Adam's other proposal is to keep these employees at their current rate of pay. Daniel stated that these individuals would then be hired as at will employees, with a cap of 1,040 hours and no benefits. Daniel commented that a contract isn't needed if the Board is going to pay benefits. Treasurer Shawn Frehner asked what happens January 1 if the Board decides these people aren't temporary but full time. It isn't fair to hire at a high rate because they're temporary then reduce the rate if they become full time. **Paul D. made a motion to pay Jennifer Lytle \$16.34 per hour plus benefits, to pay Ryan Dixon \$15.67 per hour plus benefits, and to pay Ivan Jones \$25.11 per hour plus benefits (all this with the understanding that these are full time, at-will employees that could be laid off in six months); seconded by Adam. All voted in favor.**

#6 & 7-CRESTLINE LANDFILL PURCHASE

These items concern the payment to Recology, Inc. of approximately \$400,000 from the LC Water General Fund (90) and the LC Land Act Planning and Development Fund (93) for the purchase of the Crestline landfill and related equipment and the resolution to transfer up to \$700,000 from LC Water Resource County Reimbursement Special Use account to the LC Water Resource Reimbursement Capital Projects account for the purchase of the landfill. Paul M. and Daniel offered a brief history of these issues to date, including an outline of costs. \$200,000 for real property (320 acres of the landfill & 12.9 acre feet of water rights) and it is \$186,00 for equipment. There have been no discussions as of yet as to whether or not the County will be hauling. The County has to pay \$25,000 per month to Recology until we close. There are other costs, including a survey and closing costs. We will also be splitting the costs for a period of time for the use and operation of the well. We also need to settle the NDEP financial assurance in order to take over the permits. Most of the cities and counties have been going through POOL/PACT, but they don't cover that anymore. Daniel discussed self-funding. A letter is required from our auditor saying we have enough funding to cover it if it happened today. This letter must be sent every five years. In the meantime, we'd build up a fund that is designated for closure/post closure costs. Cory Wadsworth has advised we can go through Wells Fargo but we don't know what the cost is. Daniel cited the best option is to self-fund. Title is the final item. A preliminary title report has been sent from Cow County; it looks good. Recology wants to use First American Title and they don't want to pay for title insurance, they've told us we can pay for it if we want it. It has been hard to nail down exact costs because these issues have yet to be resolved. Recology wants the County to pay a prorated share of the taxes for the rest of the year. The County doesn't pay taxes. The minute the parcel map is changed we would not be paying taxes. We are working to get Recology to pay the taxes, get that portion exempt, get a tax strike from the Board, and then send them a refund check. Recology wants us to pay a prorated share and then reimburse ourselves after the fact. Everything is in the special use account; only the interest will be taken out when needed and put in the other accounts. The complication that has been derived is that the Capital Projects fund must be augmented. This takes a great deal of time. The monies must be moved to Special Use then augmented to CP for spending. It will take about a month. Item 6 is a temporary action and Item 7 is to clean all of this up. Paul M. suggested that Item 7 can be reduced to \$300,000 and moved directly to the Solid Waste fund. An ordinance isn't needed to do this. You cannot spend from the Special Use Fund; you can only move the money into one of the CP funds and then move/augment it from there. Adam commented that \$700,000 won't come even close to what we need. There is no power there. They're using porta potties, in the amount of \$200,000 per year. The compactor needs to be replaced. In order to get this to the standards we need, it will cost approximately a couple million dollars. Different scenarios have been discussed, including hauling/transfer stations. A small office is needed at the landfill that includes a shop; power is needed and a septic tank. This will cost about \$100,000. We need a loader at the landfill; this is about \$30-40,000. We need a welder and if Ivan wasn't out there nothing would be fixed. One of the reasons we've considered drilling our own well is because the existing well is a long way away. The road is not well maintained and without four wheel drive an individual will get stuck. In the wintertime, Recology has had to use their loader to pull the trucks into the landfill to dump them. The people that are currently running Crestline are doing a really good job; it's the cleanest landfill in the state. If the County does the hauling, we need a new front end load truck, about \$200,000. Fixing the road will cost nearly \$100,000. If we use hot mix, it'll cost about \$5 million. The Board needs to decide the depth and breadth of the investment they want to make. A good front load truck could pick up nearly every town we have and compact it in one trip. The only thing that would ruin this type of truck is a bad road. Cory Lytle

stated the final numbers will vary and additional equipment will be required. Investment will be heavy on the front end. **Paul M. made a motion to designate \$197,000 from Fund 90 and \$203,000 from Fund 93 to go into an escrow account for the purchase of the Crestline landfill and all the equipment that was determined in the meeting in Las Vegas with Commissioners Donohue and Katschke; seconded by Paul D. All voted in favor. Paul M. made a motion to designate \$400,000 from Fund 84 and to go through the resolution process to eventually go to the Solid Waste Fund; seconded by Paul D. All voted in favor.** Adam stated that Recology needs to get the compactor in working condition prior to completion of the purchase.

#8-SOLID WASTE COLLECTION & DISPOSAL ENTERPRISE FUND

Paul M. made a motion to start the process to create this fund; seconded by Paul D. All voted in favor.

#9-REIMBURSEMENT PLAN

This item concerns the creation of a plan to reimburse the LC Water & Land Act funds. A special assessment for landfill is an idea that has been suggested multiple times. This particular plan requires a great deal more research and analysis, which will be done by the Landfill Committee. **Paul D. made a motion to delegate the responsibility to proceed with acquiring all information for the creation and implementation of the special assessment district; seconded by Paul M. All voted in favor.**

#10- REQUEST FOR PROPOSAL FOR WASTE DISPOSAL

Possibilities for the RFP could include hauling and/or landfill operation. **Paul M. made a motion to establish a RFP for waste disposal and that DA, Cory, and the consultant they use present it to the Commission for approval of the language; seconded by Varlin.** Daniel and Cory will create a proposal and offer it up to the consultant by September 6th meeting. **All voted in favor.**

#11-CITY OF CALIENTE HAULING CONTRACT

The hauling contract for Caliente comes with the purchase of the landfill. In one year if our costs are higher or lower than 10%, the contract can be reopened for negotiations. If a new price can't be worked out by June 1 after negotiation, we terminate. Termination includes that we give them an additional six months and then terminate. If we are within the 10%, no negotiations take place. **Adam made a motion to approve the contract; seconded by Paul D. All voted in favor.**

#12-MESQUITE LANDFILL HOST FEE

Paul D. made a motion to implement a host fee at \$.58 per ton, effective October 1, 2016, for the Mesquite landfill; seconded by Adam. Bill Tanner, Mesquite Public Works Director, asked how this process will move forward: using the former ordinance or a newly drafted one? Daniel responded that we will use the same ordinance but remove the exception that was included in the current ordinance. Bill stated that they haven't impacted LC in any way; the host fee isn't fair to Mesquite. Bill advised they will protest and fight the ordinance. **All voted in favor.** Don Williams, Virgin Valley Disposal, discussed the host fee concept, which he believes would be negotiated at the beginning of a contract. Don commented that in 2002 the Board gave him their word that we have an agreement in place and we are done talking about taxation on the landfill. The taxes have been paid in accordance. Don advised the contract was illegal and we will have to see if a judge agrees/disagrees. The contract included a full release as well as accord and satisfaction. Don advised that VVWD has been keeping up the landfill; there have been no complaints whatsoever. Don feels the host fee would be used to deal with the negative externalities, but they don't have those at the Mesquite landfill. Don asked the Board to reconsider and stay with the carve-out of the City of Mesquite. **All voted in favor.**

#13-TRANSFER PERMITS FROM RECOLOGY TO LINCOLN COUNTY

No action was taken on this item, which included the approval of a letter to NDEP requesting the transfer of permits from Recology to LC. This issue will be on the next Commission agenda.

#14-PUBLIC COMMENT

Kevin called for public comment. Adam commented that many difficult decisions have been made for the County recently; he offered his gratitude for those who have helped, including Cory Lytle and Shane Cheeney. Adam invited the public to go and see the operations of the landfill; there is a lot of work involved. Adam hopes to save the taxpayers money in the end. Dave Hurd discussed the lifespan of the landfill. The current landfill

permit is for the 40-50 acres it's on. We have 320 acres, which allows for expansion and means we might get 100 years out of it. Dave referred to Caliente's annual bill from Recology, who was billing them for 1,336 tons of municipal solid waste. Dave commented that if this was prorated towards the population we have, it's approximately 1.1 tons per person. This means the County would be approximately 5,900 tons per year. A community in Indiana, who also does not recycle, has about 19,000 people with approximately 6,200 tons per year. Dave believes the contract with Recology was "juiced up". Adam responded that curbside pickup makes a big difference. Another thing to consider is square miles in the County. Ronda Hornbeck asked the Board to consider how they will pay for all of this and that they don't look towards charging all of us based on the number of parcels we own. There are a lot of ranchers in this area and it would be a "killer" as well as unfair for those with many parcels as they would carry the bulk of the burden. Ron Williams addressed the Board. Ron said the Board has done an extraordinary job working through this difficult situation. Ron offered to share his comments about the operation of the landfill. Western Elite (WE) wants LC to do the best it can. This County is very unique and we've many things to consider. Ron is pleased that this is going out for public bid; this is a fair way to get an accurate, competitive price. Ron wished the Board all the luck and success in the world. Ron is grateful that WE could be a part of this and help mediate. Ron thanked Recology as they had us in a tough spot and lost a great deal of money on this.

#15-ADJOURN

There being no further business for the Board to attend to, Kevin adjourned the meeting at 3:17 p.m.

Attest: _____ Approve: _____

DRAFT