

STATE LAND USE PLANNING ADVISORY COUNCIL

MINUTES

October 11, 2013

At the following location:

Churchill County Commission Chambers
155 N. Taylor Street, Fallon, NV 89406

Members Present

Eleanor Lockwood, Churchill County
Austin Osborne, Storey County
Nancy Lipski, Clark County
Laurie Carson, White Pine County
Jerrie Tipton, Mineral County

Dagny Stapleton, NACO
Lorinda Wichman, Nye County
Virgil Arellano, Lyon County

Members Absent

Randy Brown, Elko County
Garley Amos, Humboldt County
Jeremy Davidson, Douglas County
Bill Whitney, Washoe County
Jake Tibbitts, Eureka County
Steven Stienmetz, Lander County
Varlin Higbee, Lincoln County

Others Present

Charlie Donohue, Nevada Division of State Lands
Skip Canfield, Nevada Division of State Lands, State Land Use Planning Agency
Dominic Pappalardo, Esmeralda County
Michael K. Johnson, Churchill County

CALL TO ORDER

The meeting was called to order at 9:04 AM and self introductions were made. A motion was made by **Virgil Arellano** to approve the agenda. The motion was seconded by **Jerrie Tipton** and the agenda was approved with all members voting yes.

A motion was made by **Jerrie Tipton** to approve the July 12, 2013 meeting minutes, seconded by **Laurie Carson** (with minor edits) and the minutes were approved with a majority vote.

PUBLIC COMMENTS

None

AGENCY REPORT

Charlie Donohue gave a summary of some activities at the Division of State Lands. The Sagebrush Ecosystem Technical Team (SETT) has been working, as directed by the Sagebrush Ecosystem Council, with federal agencies, in regards to the potential listing of the sage grouse. The BLM EIS is out for review. Funding has been acquired (from Question 1) for habitat suitability mapping, through collaboration with Doctor Coates, and for the critical element, the mitigation credit system to address land disturbing activities. An RFP has been released and a contract is envisioned by December for a consultant to develop the system. **Virgil Arellano** asked if the funding was solely for administrative activities or for projects as well. **Mr. Donohue** replied the funding is for habitat suitability modeling for NDOW, working with BLM and USGS and for the

mitigation credit system development by a consultant. **Mr. Arellano** stressed the need to remember the Bi-State population of the sage grouse. **Mr. Donohue** replied that the credit system will apply to this population as well.

Division of State Lands (NDSL) is in the process of updating regulations for permitting structures on navigable waterways.

The White Pine and Lincoln County land bills milestone - contracts for cadastral survey work and environmental surveys to transfer lands to State Parks.

NDSL has updated the "Portfolio", a complete compilation of NDSL land assets. Among other things, the Portfolio identifies State agency land needs in all counties, and the potential for disposal of State lands.

Skip Canfield discussed the passage of Assembly Bill 2 (AB2) which designated a non-voting NACO position on SLUPAC. AB2 also refines the appointment process by requiring counties submit between one and three names for consideration by December 1, 2013. All SLUPAC members will have new terms beginning Jan 1, 2014. AB2 also excluded SLUPAC from a recent law passed that disallowed an elected official from sitting on more than one Governor-appointed board. Now, members on SLUPAC may also sit on another Governor-appointed board.

DEVELOPMENT AGREEMENTS

Austin Osborne started with the fact that up until 1999, the Mustang Ranch was pretty much the sole source of income for the county, and then the ranch closed. The County attracted a large-scale investor to develop the Tahoe-Reno Industrial Park on 105,000 acres and included a development agreement. The developer was responsible for the infrastructure in return for the development entitlements, and the county was required to reimburse in a phased timeframe. A development handbook was developed specifically for TRI which gave certainty to those who would want to invest and develop at TRI.

Eleanor Lockwood stated that in Churchill County, development agreements are in the form for small-scale planned unit developments (PUDs) and most are completed utilizing the special use permit (SUP) process. The PUD provides requirements for off-site improvements. Developers pay up-front for sewer capacity based on a timeline for completion of phased projects... She mentioned that during the recession when it was a challenge for developers to come up with funds to complete phases, time line deadlines were extended.

Nancy Lipski stated that the best example of a development agreement in Clark County is Summerlin. She said that a challenge is when a developer tries to re-negotiate an agreement. She said it is important to be realistic when developing timeframes for completion of phases. She said that development agreements are approved by ordinance.

Laurie Carson said that Spring Valley Wind is subject to a development agreement for roads and emergency services. The Great Basin transmission line is also subject to a development agreement.

Jerrie Tipton mentioned maintenance of Lucky Boy Pass Road by the mining companies. The road is maintained through an SUP.

Lorinda Wichman said Nye County uses development agreements (road maintenance agreements) whereby commercial and industrial ventures help with maintenance of roads where their trucks are being heavily used.

BRIDGING THE GAP BETWEEN COMMUNITIES AND THE MILITARY

Navy staff could not make it due to the shutdown, however, **John Dirickson**, NAS Fallon, was on hand for a presentation called the "SW Compatibility Initiative". The following is a capture of his power point:

Competing interests:

Military Needs

- Training for Deployment**
- Qualification & Certification**
- Testing and Evaluation**

National Needs

- Renewable Energy**

- Oil & Gas Extraction**
- Population Growth**
- Economic Development**

Challenges

- Physical Obstruction**
- Electromagnetic Interference**
- NIMBY**

- Competing Interests Inside and Outside DOD/Government**
- DOD Must Analyze, Define and Justify Requirements**
- Creative solutions, Cooperative Attitude, and Persistent is Essential**

Compatibility Challenges

- Realistic Training & Testing Areas Are Being Impacted From:
 - Siting of Incompatible Renewable Energy Projects in Military Operational Areas
 - Siting of Incompatible Urban Developments in Military Operational Areas
 - Environmental constraints Within Military Operational Areas

Military Supports Renewable Energy and Economic Development Compatible with Military Operations

- Impacts
 - Degraded/Loss of Full Capabilities in Certain Test & Training Areas
 - Program Slippage/Increased Cost
 - Less Capability Delivered to the Warfighter
 - Loss of Rapid Response Capability for Certain Systems
 - Challenges to Fielding New/Upgraded Radar and Weapons Systems

Summary

- **Compatible use Challenges will Continue Growing**
 - Support local and regional land use agencies
 - Exchange data to ensure consistent and coordinated communications
 - Educate, Articulate and Support Operational Needs and Purpose
 - **Proactive Engagement & Coordinated Responses Required**
 - Military Must Provide Consistent Message – Internally and Externally
- **Develop and Sustain External Agency Relationships to Achieve Compatible Solutions**
 - Sustaining Local, State and Federal Agency Relationships is imperative

EPA SUPERFUND 5-YEAR ASSESSMENTS

Federal staff could not make it due to the shutdown, however, NDEP staff **Jeff Collins** and **David Friedman** were on hand for a presentation. Between 1860 and 1880, 15 million pounds of mercury were discharged into the Comstock mining area. NDEP is charged with management while EPA is charged with enforcement. Therefore, NDEP looks at mill sites, tailings, and the 100-year floodplain, these “risk zones” are all areas now designated in the Superfund site. NDEP takes samples of the top 2 feet of these risk zones and the end goal is to make this top 2 feet clean. An environmental covenant is placed on all property deeds stipulating that below the 2-foot level, there could still be hazards. Studies found that the risk to humans is minimal within these risk zones other than children ingesting large amounts of dirt. Also, consumption of large amounts of fish and ducks is a hazard. To limit their liability, Comstock Mining is doing sampling and moving contaminated materials. If activities liberate hazardous materials, then there is further NDEP and EPA involvement. EPA’s “5-Year Plan” is part of the Superfund law. EPA reviews the effectiveness of NDEP’s remedies through property assessments. If the assessment comes back clean, the property is removed from the Superfund site, if not; the property is listed as contaminated. **Austin Osborne** expressed his concern that mitigation funds allocated to Virginia City are far too low, and there is a potential for negative impacts to property values. **Jeff Collins** stated that if NDEP finds contamination within the top 2 feet of a property, EPA will find the money to replace the top 2 feet with clean top soil. He also gave an example in Eureka, near an

old lead smelter; the top one foot has been removed on ten properties, working around trees and other obstacles, with clean top soil being replaced there.

COUNTY PLANNING ISSUES

Clark County – Nancy Lipski: There have been hundreds of “non-conforming” zone changes processed. Not much commercial activity.

Churchill County – Eleanor Lockwood: The Patua geothermal plant at Hazen will be on line in November and the DFA milk powder plant in January, 2014.

Mineral County – Jerrie Tipton: There is concern that the DEIS habitat mapping for the Bi-State sage grouse shows two-thirds of the county as “potential” and 20% as “critical”. This could have negative effects on economic development. She also mentioned the struggles of “mom and pop” hard rock sites and the difficulty in affording permitting. A non-profit group has formed to assist them in the permitting process. There is also a move underway to look at re-purposing the Depot.

NACO – Dagny Stapleton: AB227 requires a study for the release of federal lands in Nevada, task force meetings are being held around the State, NACO is facilitating. AB239 requires a utility energy corridor element in the county master plan and other stipulations for utility development. NACO is developing a model ordinance. Wildhorse lawsuit between BLM and NACO over wild horse management.

Nye County – Lorinda Wichman: Solar Reserve development agreement included employment of a certain percentage of Nevadans, which has not occurred. There is also a road maintenance agreement with county threatening litigation to move forward with this maintenance. New development agreement being developed with another solar company wanting to develop in Amargosa Valley, on private property. **Ms. Wichman** attended the 2013 Western Interstate Region Conference in Grand Junction, Colorado. Mentioned the Historic Route Preservation Act (RS 2477 movement). She is now part of a working group developing potential federal regulation suggestions on these roads.

Esmeralda County – Dominic Pappalardo: A number of Goldfield residents are now working at Solar Reserve. Lithium production adjacent to Silver Peak is ongoing. The International Minerals mine will be developed north of Goldfield and will require re-routing 2.5 miles of US 95.

White Pine County – Laurie Carson: There has been a negative impact to tourism at Comins Lake, there is fish contamination from historic mill sites.

Storey County – Austin Osborne: C Street in Virginia City has been named a “Best Places Street” by the American Planning Association. There may be a ballot measure going forward for parcel exchanges between Storey and Washoe for residential and between Storey and Washoe for TRI. The Storey land bill is moving forward to help clear BLM clouded title in Virginia City and Gold Hill.

PUBLIC COMMENT

None

ADJOURNMENT FOR LUNCH AND FIELD TRIP

The meeting was adjourned at 12:00pm for lunch and then on to the two site visits.

Dairy Farmers of America (DFA) Fallon Plant.

Wesley Clark, plant manager, gave a tour of the plant, under construction. The plant includes milk reception and cream shipping, separation and evaporation, and powder manufacturing. The raw milk (2.4 million pounds) is stored in four 70,000 gallon silos while 500,000 pounds of heated cream is stored in two 30,000 gallon silos. Skim milk is stored in two additional 30,000 gallon silos. The milk is separated and evaporated to produce 7.1 tons of dried product per hour, 20 hours per day.

Facts:

- One ton of whole milk powder requires 7.2 tons of whole milk and 6.2 tons of water removal.
- Milk concentrated to 52% dry matter in the evaporator, and to 97% in the drier.
- 86% of the water removal happens in the evaporator and the remainder in the dryer.

Enel Green Power North America Geothermal Facility

Brian Stankiewicz, plant manager, gave a tour of this 13.4 megawatt binary geothermal technology facility, which is the world's first hybrid facility that includes an adjacent solar power field. More than 89,000 polycrystalline photovoltaic (PV) panels have been installed adjacent to EGP's existing Stillwater geothermal plant (commissioned in 2009). The solar field was constructed on a 240-acre parcel owned by EGP adjacent to the renewable energy leader's geothermal plant.

Stillwater and its sister plant, Salt Wells also located in Churchill County, are the only geothermal plants in the world that employ large scale electric submersible pumps for the extraction of geothermal fluid. With the plants binary process, there are no losses or consumption of water as well as no air emissions during normal operations making them environmentally friendly.

EGP-NA began operation of the Stillwater Solar Geothermal Hybrid Project in December 2011; the company's first solar facility. The plant, located in Fallon, Nevada, has an installed capacity of 26 MW and will generate around 40 million kWh of clean energy annually, enough to meet the electricity needs of 4,000 American households as well as avoid the emission of more than 20,000 metric tons of CO₂ into the atmosphere each year.

Stillwater Solar is the first renewable energy hybrid project in the world that combines the continuous generation capacity of binary-cycle, medium-enthalpy geothermal power with the peak capacity of solar power. The combination of both renewable technologies not only improves the electrical production profile but also allows for the use of the same infrastructures, thus reducing the environmental impact.

Respectfully submitted,

Skip Canfield

/s/

Meeting Recorder

Please note that minutes should be considered draft minutes pending their approval at a future meeting of the State Land Use Planning Advisory Council. Corrections and changes could be made before approval.

The meeting was digitally recorded. Anyone wishing to receive or review the recording may call (775) 684-2723. The recording will be retained for three years.