

**Presentation
Before
The Government Affairs Committee,
Nevada State Assembly**

February 10, 2009

by

Lincoln County, Nevada

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Demographic Information

Lincoln County is immediately to the north of Clark County. The southernmost County line is about an hour north of Las Vegas, the northern boundary of the County adjoins White Pine County approximately 50 miles south of Ely, the eastern boundary abuts to Utah, and the western boundary adjoins Nye County.

The Towns and villages in Lincoln County are: Pioche (County Seat), Ursine/Eagle Valley/Mt. Wilson, Panaca, Ash Springs/Hiko/Rachel, and Alamo. Caliente is the one incorporated city in the county.

Lincoln County contains 10, 835 square miles, 98 % of which is federal land, leaving about 2% in private ownership. Lincoln County is the third largest county in Nevada, after Nye and Elko, and is larger in area than 9 of the 50 states.

Current census data shows a county population of 4165 with 58.21 % shown as low to moderate income. 618 of those counted as low and moderate income are below poverty level.

There are 5 State parks in Lincoln County, which in conjunction with some of the prime hunting areas in the State, makes tourism and recreation the only real industry in the County.

Budget Information

The total budget expenditures for Lincoln County:

For the year ending 6-30-08	\$17,167,576
For the year ending 6-30-07	10,680,492
For the year ending 6-30-06	8,752,912

Note: expenditures include grant funds expended during a given year.

Ending fund balances for the same period ranged from \$947,000 to \$431,000 and recent projections indicate that the ending fund balance for fiscal year 2008-2009 may be less than \$200,000.

Given that the County consists of mostly federally administered land, PILT is very critical to the County. In addition, our active Grants Administration Department has applied for and received grant funding totaling more than \$4.5 Million for the current year. Grants are also critical to our survival. Most grants require County matches.

Future Projects

- Coyote Springs is located in both Clark and Lincoln Counties. Some development is going forward in Clark County, but the Lincoln County portion of

the large development is 'on hold' and will not be continuing until there is a change in the economic climate. The Coyote Springs Development has potential to create a community of 50,000 people.

- The Lincoln County Land Act provided for the sale of a large tract of land in the Toquop (near Mesquite) Area in the southeastern corner of the county. This was sold by the government to 5 different developers. The County has completed and approved development agreements with 2 of the developers, but the developers have placed the projects on hold, also because of the current economic climate. This development has the potential to increase the county population by another 50,000 people.
- Land for economic expansion and community development has been purchased from BLM for development of an industrial park and additional land has been identified and set aside for sale to private parties for residential use. These lands are in Alamo, the nearest town to the Coyote Springs development. The County has need to develop the infrastructure within the industrial park land in order to attract new industry and create jobs. Federal grant monies are available for that development, but the County needs to find 40% in non-federal monies to match the grant before any development can proceed.

Needs and concerns

The County has identified several critical needs related to future development:

First, is the electric power distribution system. The system is old and is currently operating above its design capacity. At present, there is only 2 Megawatts of power available for future needs in the county. The Coyote Springs and Toquop developments will increase service demands by 2300%. The cost to upgrade the system to accommodate the future need exceeds \$70 million.

Second, is the need to address the crumbling public infrastructure critical to current and future operation of county government.

- The Courthouse, the Alamo Annex, and the Panaca Town Hall/Post Office are in need of major repairs. Several historic buildings are being repaired with grants, but no sources of funding for the government buildings now in service have been located. Costs of repairs are approximately \$400,000.
- The sewer and water systems throughout the County are about 50 years old and in dire need of modernization and upgrading. Costs associated with these projects exceed \$8,000,000.
- The County-maintained road system consists of 3433 centerline miles, of which less than 100 miles are hard-surfaced. Approximately \$40,000,000 would be needed to bring the road system into a 20th century condition.

Third, the county has one hospital medical facility and one clinic in another location. The hospital is a 20 bed facility with 18 of the beds being used for long-term care. This

means that patients in need of more than emergency care are stabilized at the hospital and must be transferred to facilities in Las Vegas or in Utah.

Fourth, the County has 2 airports, one in Alamo and the Lincoln County Airport in Panaca. The Lincoln County Airport has been improved with FAA grant funds and county match funds to include paved runway and taxiway, enlarged apron, and a pilot's lounge with internet capability for pilot needs. There is a full-time airport manager. The Alamo Airport is unpaved and without any ancillary services. The County is currently working with the FAA to accomplish the needed improvements to the Alamo facility but matching funds are required.

Concerns include:

Indigent Accident Fund and Supplemental Funds are critical to small counties. Lincoln County currently has \$126,000 in funds for all Indigent needs. In a past year, the County had one incident that deeply effected the County's fund and tapped the State IAF for more than \$400,000. One such incident could cause irreparable harm to Lincoln County without the safety net provided by the IAF at the State level.

In Lincoln County, as in many other rural counties, needed fire protection services and emergency medical services are provided by volunteers. There is a need to recruit and train personnel to provide these services, but the population of the County is aging and many of the residents who would be willing to serve cannot meet the qualifications for the required certification or licensing. The residents of the county would be best served by trained, full-time professional firefighters and emergency medical personnel and the associated equipment.

Lincoln County has potential to be in a position to improve the quality of life for its citizens with the large developments planned for the County, but any development is probably 4 years away. The Lincoln County Water District has developed water sources to support the large developments in the southern part of the county and Lincoln County has supported efforts by Electric power developers within the County in the hope that more power will be available for Lincoln County's future growth. In addition, the County has been approached by several different alternative energy proponents. The County is on record in support of alternative energy development.

Our Board of County Commissioners has been and continues to be conservative in their administration of the taxpayer's funds while doing all that it can do to provide for the public safety, health, and welfare of its citizens with the limited resources at its disposal. Lincoln County appreciates the support of the State Legislature received in the past and thanks the Members for future support.

