



NORTHEASTERN NEVADA **SCENARIO PLANNING REPORT**

Elko, NV | 29 - 30 March 2012

SCENARIO PLANNING REPORT

NORTHEASTERN NEVADA - 30 MARCH 2012

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NORTHEASTERN NEVADA SCENARIO PLANNING

EXECUTIVE SUMMARY

BACKGROUND

The scenarios developed during this scenario planning process and outlined in this report are important to provide a ‘vehicle’ to be used in the process of building a shared vision for the future of Northeastern Nevada. In addition, the deliberations can assist in identifying key actions and identify how various stakeholders might best contribute to future developments — in part by identifying possibilities for collaboration.

SCENARIO PLANNING PROCESS

A critical early step in this process is initiating a wide-ranging discussion about different possibilities for the future of the region. To begin this exploratory conversation about the future, Northeastern Nevada has engaged in an innovative regional Scenario Planning Process. This involved nearly 80 stakeholders working together at the Scenario Planning Workshop.

The scenario planning process brought together Northeastern Nevada stakeholders to explore the future and develop a range of plausible future scenarios, looking out as far as 2030. The four scenarios were built around a critical cluster of drivers, which are the basis for two axes on the scenario matrix that define four scenario “spaces,” with quadrants either toward or away from each driver cluster. These quadrants were used to formulate four plausible scenarios. The axes were “Agility in Changing Environments” and “Regional Systems for Long-term Economic Development”.

The four plausible scenarios were defined and described in detail. Participants speculated about the characteristics and major events of the region in 2030 against the triple bottom line dimensions of society, environment and economy.

DISCUSSION ON THE REGIONAL SCENARIOS

The participants were asked to review the scenarios, consider their implications, and select a scenario that most reflected their preferred future. The overwhelming view was that the preferred scenario was “RNN (Rural Northeastern Nevada): Successful Partnerships” which envisages a vibrant future of the region. More work is required to explore the preferred scenario and to extract the key elements that would reflect a shared vision for the region.

NORTHEASTERN NEVADA SCENARIO PLANNING

EXECUTIVE SUMMARY

FOCUS FOR THE FUTURE

Northeastern Nevada has its own unique history, values, strengths and challenges that were built into the scenarios highlighting a number of important perspectives and regional strengths to be considered when planning for the future. The scenario planning outcomes will be used to fully develop a regional action plan through an engagement and capacity building process. Consistent with developing capacity to achieve the objectives of the Governors Office of Economic Development's plan for economic excellence, this long-term process is intended to:

- Participatory development of a commonly held vision and cohesive economic development plan for the region;
- Develop sustainable systems for ongoing future planning and agile action development;
- Incorporate systems for ongoing innovation network creation and knowledge development; a
- The regional enthusiasm for common goals and collaborative systems.

INTRODUCTION

To begin a conversation about the future of the region and commence the process of defining a shared vision, Northeastern Nevada elected to engage in an innovative Scenario Planning Process. This involved nearly 80 regional leaders and stakeholders working together in two half-day sessions on March 29 & 30, 2012. The objectives of these events were to:

- Deepen an understanding of how external events and regional conditions shape decision-making;
- Identify and understand the key influences, trends, and dynamics that will shape Northeastern Nevada over the next 20 years;
- Create and describe four plausible long-term scenarios for the region; and,
- Begin exploring alignment around a shared regional vision.

The scenarios developed during this Scenario Planning Process and outlined in this report are important to provide a "vehicle" to be used in the process of building a shared vision for the future of Northeastern Nevada. In addition, the workshop deliberations can assist in identifying key actions for the region and assist in identifying how various groups might best contribute to future developments — in part by identifying possibilities for collaboration.

NORTHEASTERN NEVADA SCENARIO PLANNING

SETTING THE STAGE

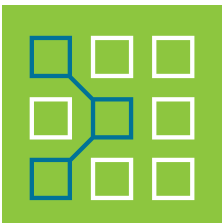
SETTING THE STAGE

The scenario planning process as applied in Northeastern Nevada, offers an excellent opportunity for the regional community to examine the future in a thoughtful and structured manner. The design of the workshop included:

- Playing the Western Australia Future Game – as a way to explore scenario thinking and future shaping decisions.
- Presentation and discussion about key forces shaping the future, at a global and regional level.
- Examining the results of the network mapping done in Northeastern Nevada – leading up to the workshop.
- Exercise on 'Attributes' to examine areas of strength and weakness within the regional community.

These exercises and work were aimed to build a robust basis for the scenario shaping sessions.

WHAT IS THE FUTURE GAME?



The Future Game is a simulation tool designed to explore how regional and local decisions can shape long-term economic, environmental, and community well-being. It is a great way to stimulate meaningful discussion and debate about future regional and community scenarios, and to explore decision pathways.

FutureGame

SIMULATION
LEARNING

The highly interactive and participatory game provides an enjoyable and accessible way for citizens and community leaders to engage in robust discussions about contemporary challenges of community and economic development. Over 98% of people who play the game report it as a challenging and enjoyable experience which provides real benefit to critical thinking about the future and local decision making.

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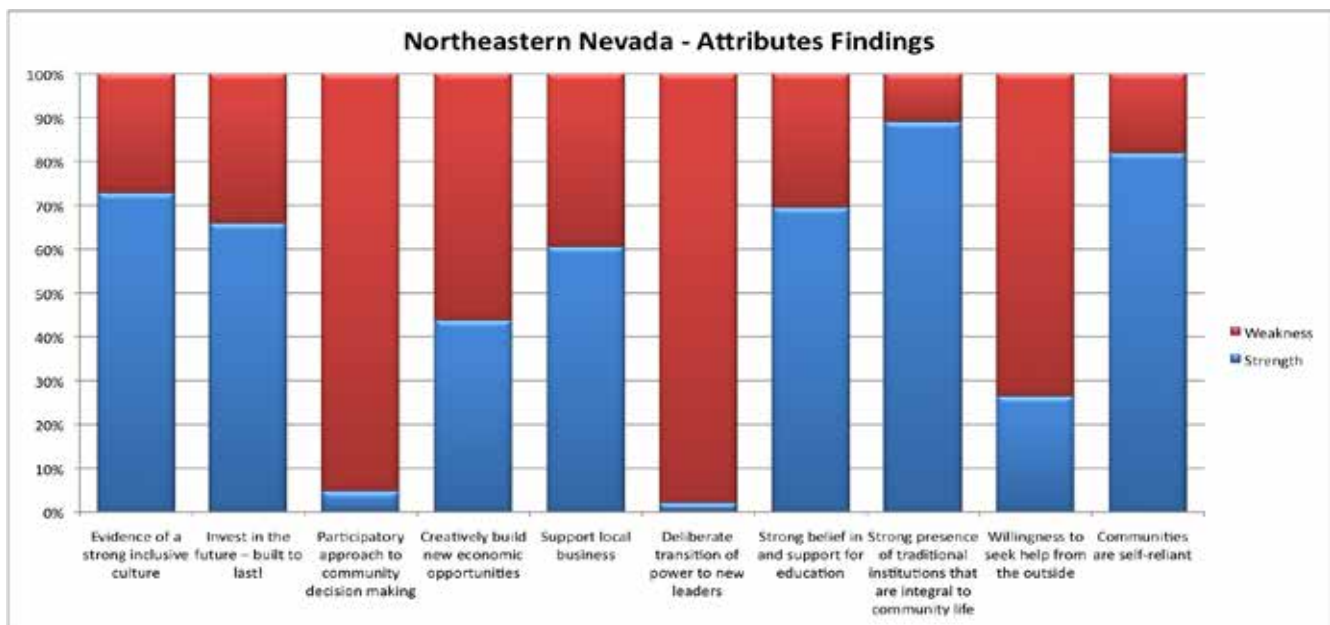
COMMUNITY ATTRIBUTES

NORTHEASTERN NEVADA COMMUNITY ATTRIBUTES

The participants examined the current context of Northeastern Nevada utilizing research on the ‘Ten Attributes of Successful Mining Communities’. Participants considered the attributes in which they thought Northeastern Nevada is currently strong and those in which it is currently weak. Each participant was given four blue adhesive dots (to indicate the ‘strong’ attributes) and four red adhesive dots (to indicate ‘weak’ attributes). Each person was able to allocate his/her ‘votes’ in any manner he/she chose, i.e. spread across four attributes, concentrated over one or a few attributes or not used at all.

THE TEN ATTRIBUTES OF SUCCESSFUL MINING COMMUNITIES

1. Evidence of a strong inclusive culture
2. Invest in the future – built to last!
3. Participatory approach to community decision making
4. Creatively build new economic opportunities
5. Support local businesses
6. Deliberate transition of power to new leaders
7. Strong belief in and support for education
8. Strong presence of traditional institutions that are integral to community life
9. Willingness to seek help from the outside
10. Communities are self-reliant



NORTHEASTERN NEVADA SCENARIO PLANNING

COMMUNITY ATTRIBUTES

Some of the observations and implications from the attributes exercise include:

- There was a strong orientation towards traditional values and beliefs – for example ‘Strong belief in and support for education’; ‘Strong presence of traditional institutions’ and ‘Communities are self-reliant; were all rated as strong attributes in the community. These could be considered traditional rural community strengths and values.
- There was a noticeable weakness around the attributes that are more orientated towards the future such as; ‘Participatory approach to community decision making’, ‘Creatively building new economic opportunities’, ‘Deliberate transition of power to new leaders’ and ‘Willingness to seek help from the outside’. These attributes are more orientated towards building a future.
- There was an assessed strength in the attribute about ‘Evidence of a strong inclusive culture’ – this is a critical advantage for the community given the need for rural communities to adapt to changing demographics and ethnic make-up.
- Of importance to the future work in Northeastern Nevada and any regional innovation process, there was an identified weakness in the major economic attribute of ‘Creatively building new economic opportunities’. This is partially offset by a marginal strength in the attribute of ‘Support Local Business’. In order to build a responsive community that is able to adapt to a changing world and actively shape its own future, then NENV will have to consider building additional strength and capacity around innovative new economic development.

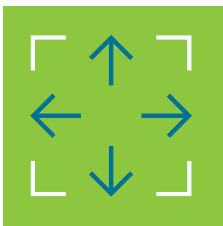
Addressing some of the attribute areas will be important to build the capacity for the regions citizens to shape a preferred future. In particular, the development of a system to build new leadership will be critical. This was defined, both in the attributes exercise, and in general discussion to be a critical factor for the future success.

NORTHEASTERN NEVADA SCENARIO PLANNING

SCENARIO PLANNING PROCESS

SCENARIO PLANNING PROCESS

This report presents the background, results, and recommendations from the Northeastern Nevada Planning process. This process aimed to explore the future directions and opportunities for the region, and commence work on creating a regional vision for economic development. People from across the region attended the workshops held on March 29 & 30, 2012. At these events, participants discussed the region's future and developed plausible scenarios for the region in 2030.



The participants were guided through a scenario planning process to develop four plausible scenarios for the future of Northeastern Nevada. This process has been applied by Future iQ Partners in regional scenario planning events in numerous settings across North America, Australia and Europe.

DecisionPath

SCENARIO
PLANNING

The process, which is described in detail below, involves exploration and discussion of global, regional, and local trends and forces of change; identification and ranking of drivers and influences that will likely shape the future of the region; development of a scenario matrix defining four plausible scenarios spaces for the future; and the development of descriptive narratives of each scenario. The event concluded with discussion of the scenarios and their desirability in contributing to a regional vision of the future. An important part of the scenario planning process is that it aims not merely to develop plausible scenarios for the future, but to identify how they may be turned into tangible actions in the region and compiled in a regional economic planning strategy.

NORTHEASTERN NEVADA SCENARIO PLANNING

SCENARIO PLANNING PROCESS

WHY SCENARIO PLANNING?

Scenario planning is a method that is used to develop plausible scenarios for the future. Scenarios are not predictions, but are a way of exploring plausible futures and of learning from them. The method differs from traditional strategic planning as it allows the exploration of many factors, or drivers of the future, concurrently. It does so by using local knowledge and expectations about the drivers to produce a framework that defines and explores a range of plausible futures. In this manner the approach enables people to explore the impacts and consequences of a range of different future pathways.

Generally, Scenario Planning processes are run over several days, weeks, or even months. A condensed form of scenario planning developed by Future iQ Partners was used in this project so that the scenario session was completed in a two half-day sessions. This design is intended to allow otherwise busy and committed people to contribute and participate in a future planning process in an effective and efficient manner.

This design relies on sufficient background information being presented to enable realistic and informed evaluation by the participants. It also requires participants who are broad-minded and free-thinking, and who collectively and individually can bring their experience to the identification of the key drivers and to the development of the scenarios.

NORTHEASTERN NEVADA SCENARIO PLANNING

DEVELOPING FOUR PLAUSIBLE SCENARIOS FOR THE FUTURE

DEVELOPING FOUR PLAUSIBLE SCENARIOS FOR THE FUTURE

Northeastern Nevada stakeholders explored the future and developed plausible future scenarios, looking out as far as 2030. To set the context for their thinking, the planning session included discussion of global, national, and regional forces that could impact the region. The project facilitator presented an overview of global, regional and local trends. Participants reviewed and discussed these trends, considering how they could impact on the future direction of the region.

DRIVERS SHAPING THE FUTURE



With the background of the global, national, and regional forces and how they relate to Northeastern Nevada, the participants identified drivers that they considered most likely to shape the future of the region. The drivers were then discussed by all of the participants. The scope of each driver was clarified, and any similar drivers were grouped and new drivers added, until a list of twenty unique, key drivers were identified.

Key drivers shaping the future of Northeastern Nevada as identified by participants

1. Advancements and new technology
2. Availability of housing
3. Price of gold and minerals
4. Capacity of transportation
5. Climate change
6. Performance of education
7. Government regulations and restrictions
8. Skilled and available workforce
9. Energy costs
10. Consumable goods cost and availability
11. Infrastructure to support growth
12. Water Supply
13. Maintaining Quality of life
14. Geopolitical climate
15. Geographic location
16. Access to land
17. Regional collaboration and branding
18. Regional political influence
19. Broadband access
20. Economic diversification

NORTHEASTERN NEVADA SCENARIO PLANNING

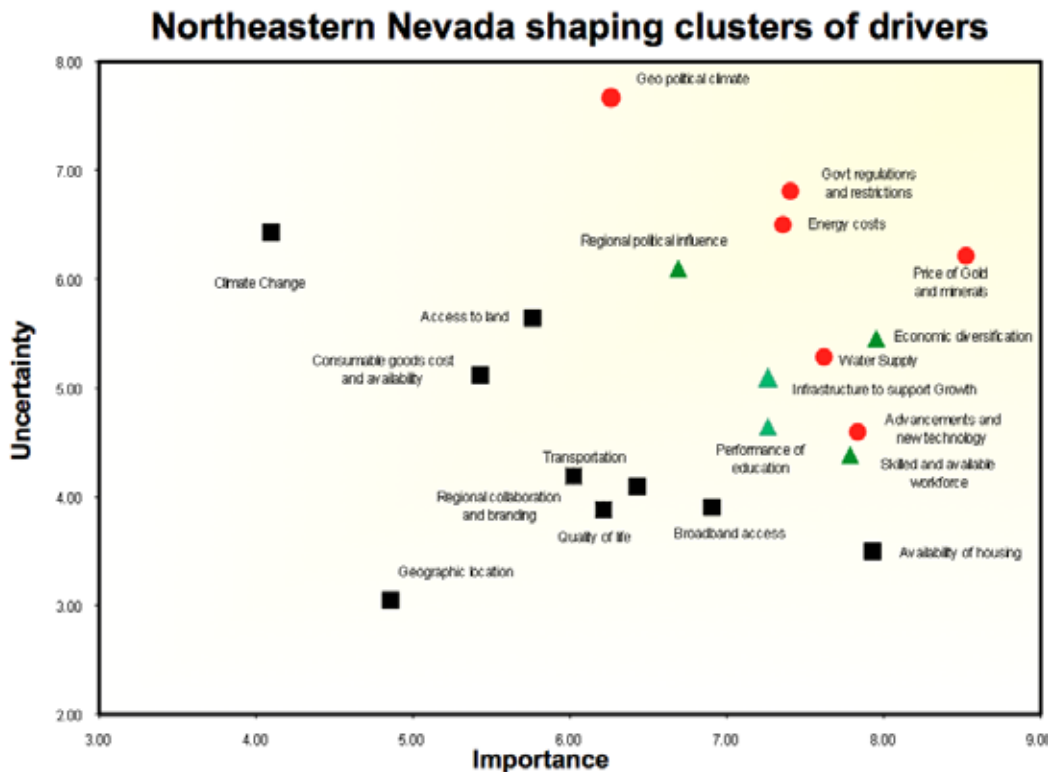
DEVELOPING FOUR PLAUSIBLE SCENARIOS FOR THE FUTURE

IDENTIFYING SCENARIO SHAPING CLUSTERS OF DRIVERS

The participants rated each of the twenty key drivers for its “Importance” and “Uncertainty.” “Importance” refers to how important the participant considers the driver will be in shaping the future of Northeastern Nevada. “Uncertainty” refers to the degree of uncertainty associated with the driver in terms of its future level of uncertainty, impact, or both. The individual ratings by each participant were pooled and averaged, providing an overall rating for each driver by the entire group of stakeholders. Then, a scatter diagram of the drivers, based on importance and uncertainty, was developed. The scatter diagram allows the identification of clusters of which are relatively high in “Importance” and “Uncertainty”. This process illustrates the clusters of the drivers that were seen as critical in shaping the future – these clusters were termed “Scenario shaping clusters of drivers.”

CREATING SCENARIO SPACES – FOUR PLAUSIBLE SCENARIOS FOR THE FUTURE

The clusters of drivers were identified by grouping similar drivers in two categories, then adding a name that represented a general theme linking the drivers in the clusters. These themes became the basis for two axes on the scenario matrix that define four scenario ‘spaces,’ with quadrants either towards or away for each driver cluster. These quadrants were used to formulate four plausible scenarios.



NORTHEASTERN NEVADA SCENARIO PLANNING

DEVELOPING FOUR PLAUSIBLE SCENARIOS FOR THE FUTURE

CLUSTER THEMES

Regional Systems for Long-term Economic

Development

- Regional Political Influence
- Economic Diversification
- Skilled and Available Workforce
- Infrastructure to Support Growth
- Performance of Education

Agility in Changing Environments

- Energy Costs
- Price of Gold and Minerals
- Water Supply
- Advancements and new technology
- Geopolitical climate
- Government Regulations and Restrictions

The four quadrants (scenario spaces), based on increase and decrease directions of the two cluster themes, were reviewed and discussed with the participants. This discussion explored the drivers included in each scenario-shaping cluster, the scope of each cluster, and how they formed the axes that defined the four scenario spaces. The participants were asked to consider the main attributes of each of the quadrants and to begin to speculate about how Northeastern Nevada would look in a future based on each of the quadrants.

CREATING NARRATIVES FOR EACH SCENARIO QUADRANT

Event participants were randomly allocated to one of four groups and asked to formulate a scenario for their respective quadrant. Each group was facilitated by local facilitators to describe Northeastern Nevada in 2030 under the conditions of the scenario quadrant that they had been given in terms of the triple-bottom line of social, economic, and environmental characteristics.

In addition, they were asked to devise major events or headlines of how the scenario occurred using the years 2015, 2020, and 2030 and to give their scenario a descriptive name. Once the scenarios had been developed, each group reported back, describing their scenario to the symposium participants.

Each group was guided to describe Northeastern Nevada in 2030 under the conditions of the scenario quadrant.

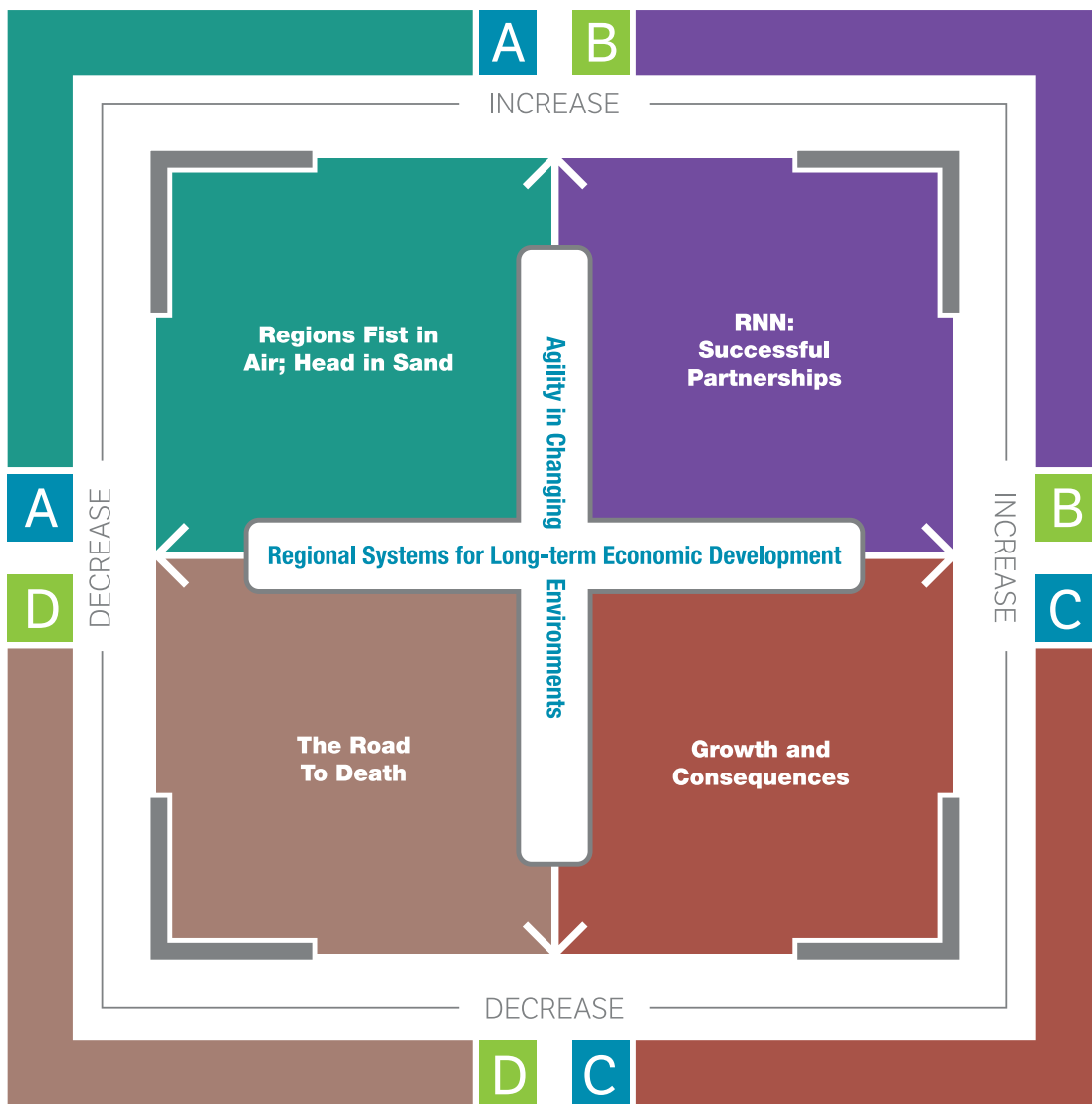
This allowed for clarification, questions, and an assessment of the plausibility of each scenario. Each group's notes for their scenario and the description of it when it was presented to the other participants were used to produce the detailed narrative for each scenario that is presented in the next section of this report.

NORTHEASTERN NEVADA SCENARIO PLANNING

DEVELOPING FOUR PLAUSIBLE SCENARIOS FOR THE FUTURE

The following pages are the descriptions of the four plausible scenarios that were defined and described in detail by the participants. These descriptions were developed to see 'What Could Be' depending on specific action and inaction in the region.

The scenario quadrants defined by the cluster themes showing the names of each scenario as created by the participants.



NORTHEASTERN NEVADA SCENARIO PLANNING

DETAILED DESCRIPTIONS OF THE SCENARIOS

SCENARIO A – REGIONS FIST IN AIR, HEAD IN SAND

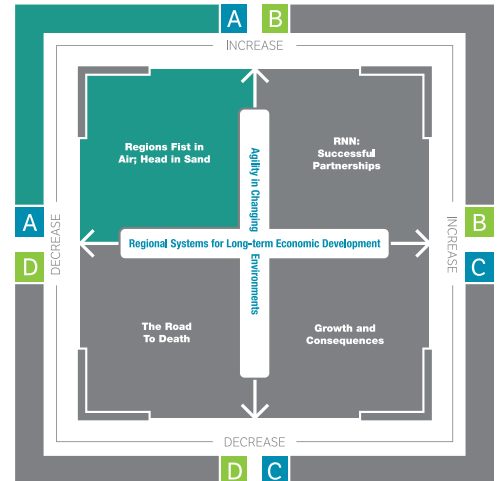
POTENTIAL REALITY FOR THE YEAR 2030 AS DEVELOPED BY PARTICIPANTS

This Scenario depicts Northeastern Nevada is ready for action, and agile in changing environments, yet cannot find the common ground regionally to build the systems for long-term economic development.

The region is ready for anything and often chooses economic opportunities without discretion or regional agreement. This has created an environment that is fiercely divided and communities and organizations find themselves competing for the smallest of opportunities. Individual communities have reorganized the flow of money and resources to quickly move on opportunities, eliminating the backlog and red tape that has previously held back interested industries.

Education is re-created in the larger communities from traditional systems to quickly adapt to new technologies and supporting industries. Many of the more rural schools are unable to compete and are consolidated into the larger districts.

The boom and bust cycle continues with industries and people coming and going with large investments in hopeful economies that have little potential for long-term impact. There is a high number of a transient population and the community is greatly divided and segregated. The environment has seen it's better days as the evidence of temporary and half hearted efforts scar the land. There is pressure on the region's water infrastructure and larger corporation move to privatize the water supply protecting it from the eyes of Vegas and other water needing communities.



NORTHEASTERN NEVADA SCENARIO PLANNING

DETAILED DESCRIPTIONS OF THE SCENARIOS

REGIONS FIST IN AIR, HEAD IN SAND: SCENARIO CHARACTERISTICS 2030

SOCIETAL CHARACTERISTICS:

- Population is at a steady increase with much of that population being transient and there is a continued clear distinction between long-term residents and temporary workers.
- The community is characterized with separate populations of ‘haves’ and ‘have not’s’; and high unemployment of the unskilled
- There is an overall lack of a consistent community entity; and relationships and networking are fractured.
- Government is in a reactive mode as they are not planning together and find that focus areas shift with elections
- Access and support for local amenities is suffering with little common vision and government land restrictions.
- Health care and hospitals are stressed from inconsistent infrastructure and a continued increase in needs.
- Suicide and crime rate statistics are rising with little or no intervention programs

ECONOMIC CHARACTERISTICS:

- Local ‘mom and pop’ shops are suffering under increased influx of ‘big box’ stores and little planning downtown retail.
- Elko’s economy is thriving, yet the rest of the Northeastern Nevada region is dwindling under the trend of urbanization.
- Overall regional economy shows steady increases, but the details show that communities are fragile and industry is quick to come and go.
- Heavy debt with unpaid infrastructure diminishes the regional tax base
- Although the region experiences the advantages of continued high gold prices, consumables are high priced and deter non-mining businesses.
- Education system has not kept up with demand and the impact is a low rate of entrepreneurship.
- Baseline infrastructures are suffering with little adequate housing, poor telecommunications, sewer and water failures and deteriorating roads.

NORTHEASTERN NEVADA SCENARIO PLANNING

DETAILED DESCRIPTIONS OF THE SCENARIOS

ENVIRONMENTAL CHARACTERISTICS:

- The landscape is settled in reclaimed mining areas, empty buildings and undeveloped industrial areas.
- There is an overall increase in regulations and litigation over usage and conservation as the region has been unable to come together on a common voice to advise; water has become high in demand.
- Energy sources are shifting with an increase in biomass technology; more direct use of geothermal; regenerated materials; and enhanced electric transmission lines.
- Wildlife population is declining and hunting is restricted on federal lands.
- There is a decrease in tourism as land access is volatile and motorized use on public lands is managed.

REGIONS FIST IN AIR, HEAD IN SAND: HEADLINE NEWS FROM THE FUTURE

Societal

2015: “DRUG TRAFFICKING AND CRIME AT A HISTORICAL HIGH ”

2020: “NEW TECHNOLOGY MANUFACTURING COMPANY HEADS OUT OF TOWN IN SEARCH OF SKILLED WORKERS”

2030: “NORTHEASTERN NEVADA CRIME RATES HIGHER THAN VEGAS”

Economic

2015: “NEW MINE OPENS AND GROWTH CONTINUES; WE ARE BEGGING FOR ENGINEERS TO RELOCATE HERE”

2020: “AUTOMATION IS REPLACING JOBS; EDUCATION SCRAMBLES TO RE-TRAIN WORKERS, BUT NOT IN TIME TO KEEP THE INTEREST OF MAJOR BIOTECH COMPANY”

2030: “IS WATER THE NEW GOLD? WITH GOLD PRICES PLUMMETING AND MINING TAX HIGH, NORTHEAST NEVADA SEARCHES FOR THE NEXT BOOM”

Environmental

2015: “RESTRICTING OUR LAND; USFS TRAVEL MANAGEMENT PLAN IS IMPLEMENTED AS THE NEVADA WATER WAR BEGINS”

2020: “MAJOR MINERAL DISCOVERY THWARTED BY FEDERAL REGULATIONS”

2030: “HUNTING TAGS A HOT COMMODITY”

NORTHEASTERN NEVADA SCENARIO PLANNING

DETAILED DESCRIPTIONS OF THE SCENARIOS

SCENARIO B – RURAL NORTHERN NEVADA (RNN): SUCCESSFUL PARTNERSHIPS

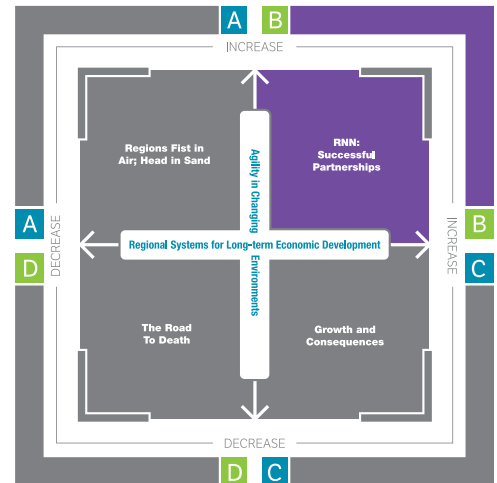
POTENTIAL REALITY FOR THE YEAR 2030 AS DEVELOPED BY PARTICIPANTS

This scenario depicts Northeastern Nevada as a region that has worked hard to develop the regional systems for long-term economic development, and has developed the eye for change with a high level of agility in the larger changing environment.

Northeastern Nevada is ready for new industries, ideas and action and has leveraged its advanced infrastructures to attract opportunities that are willing to make a long-term commitment to the region. Not only has the region developed regional systems that are ready to embrace the future, they have connected and collaborated with state initiatives and international partners.

Organizations and government are nimble and willing to transform, overcoming ancient habits of risk-aversion, are emerging as the new centers of intellectual excellence in the 21st century. The social fabric is healthy, with good career paths, healthy wages and salaries and good community infrastructure. The entire regional community operates as a smooth flowing system, with education systems producing skilled workers well matched to the growing economic opportunities.

In addition, the region has been able to leverage its natural resources and has become a major exporter of energy and is recognized as a focus of sustainable thinking. The landscape is well managed and there is thoughtful trade-off between development needs and preservation needs. This philosophy has allowed economic growth, but not at the expenses of long-term environmental sustainability.



NORTHEASTERN NEVADA SCENARIO PLANNING

DETAILED DESCRIPTIONS OF THE SCENARIOS

RNN: SUCCESSFUL PARTNERSHIPS: SCENARIO CHARACTERISTICS 2030

SOCIETAL CHARACTERISTICS:

- Population is diversified in age and ethnic distribution and diversity is celebrated.
- There is a high value for and diverse opportunities in education; a large percentage of the population is skilled, professional, and has higher education degrees
- There is a growing conversation about county consolidation with a recent redistricting for larger geographical political representation. A participatory process is underway to get public input.
- The region is characterized as being family oriented and self-sufficient.
- Health care is now offering community-driven initiatives in recreational and exercise and mental health facilities.
- Crime rate has been held in check with state of art incarceration and judicial systems that take a progressive stand in utilizing youth, homeless and addiction intervention programs.
- There are many opportunities for the region to connect as a whole community with community centers, cultural celebrations, youth clubs and senior centers.
- Low unemployment and higher income levels set the region as a destination for skilled workforce and professionals.

ECONOMIC CHARACTERISTICS:

- Strong relationships between government and private industry have created the infrastructures for business to build on throughout the region.
- Diversified regional industry in tourism, alternate energy is on-going and strong; gold prices no longer the only economic driver
- NENV leads the state in new wealth development; Per capita income continues to rise and is spreading through diverse industries
- Solar and other green energy companies relocate to NENV
- Regional foundations are established and investments are made in key communities infrastructure toward a common vision.
- High rates and interest in entrepreneurship sparks new industries in manufacturing and ecommerce.

NORTHEASTERN NEVADA SCENARIO PLANNING

DETAILED DESCRIPTIONS OF THE SCENARIOS

- New infrastructures are standardized across the region – with a focus on more rural areas such as White Pine, Lander and Pershing. Regional air service system links the regional and attracts new business

ENVIRONMENTAL CHARACTERISTICS:

- 100-year water rights secures preservation of agriculture and livestock production.
- Effective fire management has led to an overall regional ecosystem that houses a balanced and health native habitats.
- There is a regional focus on watershed management through public/private cooperation.
- The region has a common environmental plan that is influencing federal land management; Wilderness study area restrictions are lifted and critical habitats are protected.
- Regional self-sufficient energy production with natural gas, solar, geothermal and bio fuel.
- Region has secured access to existing recreation areas and facilities have been developed.

RNN: SUCCESSFUL PARTNERSHIPS: HEADLINE NEWS FROM THE FUTURE

Societal

2015: “NORTHEASTERN NEVADA SURPASSES TESTING GOALS”

2020: “NORTHEASTERN NEVADA VOTED MOST SUSTAINABLE MINING REGION”

2030: “UNR CELEBRATES THE OPENING OF FIRST SATELLITE CAMPUS IN ELKO”

Economic

2015: “NORTHEASTERN NEVADA REGIONAL DEVELOPMENT AUTHORITY LAYS GROUNDWORK FOR UNPRECEDENTED GOVERNMENTAL PRIVATE SECTOR COOP”

2020: “PEQUOP TREND EXCEEDS CARLIN TREND WITH NEW DEVELOPMENTS IN GOLD PRODUCTION ON THE HORIZON”

2030: “NORTHEASTERN NEVADA IS LISTED IN TOP 20 TRAVEL DESTINATIONS”

Environmental

2015: “REGIONAL PLANNING GROUP INFLUENCES A DOUBLING OF THE BUDGET FOR FIRE MANAGEMENT”

2020: “PROPER MANAGEMENT DE-LISTS SAGE GROUSE”

NORTHEASTERN NEVADA SCENARIO PLANNING

DETAILED DESCRIPTIONS OF THE SCENARIOS

2030: “NENV IS UNIVERSALLY RECOGNIZED AS A MODEL OF SUSTAINABLE ENVIRONMENTS”

SCENARIO C – GROWTH AND CONSEQUENCES

POTENTIAL REALITY FOR THE YEAR 2030 AS DEVELOPED BY PARTICIPANTS

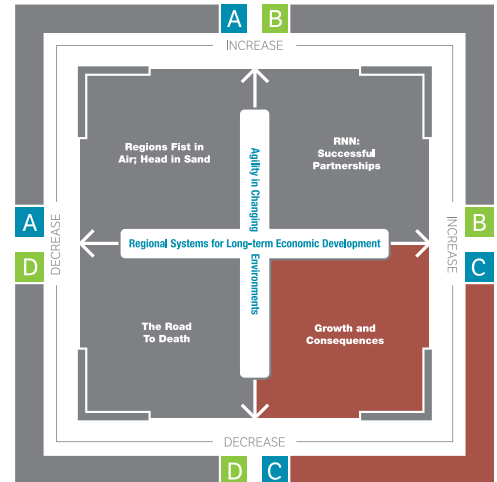
This scenario depicts Northeastern Nevada as a region that has worked hard to develop the regional systems for long-term economic development, but has failed to build the ability to be agile in the face of external changes.

Northeastern Nevada economy is built on the foundation of a good regional infrastructure, but fluctuates on the vagaries of the external markets and commodity prices. There is still a boom and bust culture, where economic activity comes and goes in fits and starts.

This pattern weakens the long term sustainability and leads to issues of housing shortages and population fluctuations

The regional community faces challenges of population changes, and struggles to build the lasting core of locals who have the long-term interests of the region at heart. There is a variable success across the region, as some communities can weather the economic cycles better than others. Overall, the population increases, but the larger centers generally fair better.

The environment has suffered, as while there is good regional collaboration, opportunistic development often occurs at the expense of environmental sustainability. In particular, there has been an inability to adapt to changing macro-environmental conditions. Impacts of droughts are more severe, and landscape management fails to keep up with the changing conditions or needs. While the region does well economically, there are consequences to this growth, notably at the loss of environmental quality and some social health and prosperity.



NORTHEASTERN NEVADA SCENARIO PLANNING

DETAILED DESCRIPTIONS OF THE SCENARIOS

GROWTH AND CONSEQUENCES: SCENARIO CHARACTERISTICS 2030

SOCIETAL CHARACTERISTICS:

- Population has increased to 125,000 with a large percentage of non-native and transient residents, as the region has to import much of the workforce.
- There is an increase in the needs of the rising numbers of seniors on health care and services.
- UNR has opened a campus with 20,000 students, faculty of 300 and a healthy online student population; First center for mining excellence established with Mackey School of Mines.
- Basque culinary food institute is opened in collaboration with local providers and college.
- Regional council is established to oversee and advise on water export, transportation, air & water quality: with White Pine, Elko and Eureka counties and 6 represented cities.
- Community resources are stressed with increased drug use, spousal abuse and crime; Expanded healthcare needs put pressure on health care system.
- Newspaper and landline phones are no longer in use as information and shopping go to the Internet – community deteriorates as less human contact is emerging.

ECONOMIC CHARACTERISTICS:

- Major source of income and economic growth in region is still related to mining and mining supported business.
- Economic growth is dependant on gold prices and gold industry management decisions.
- Infrastructure for mining is enhanced in areas such as rail, healthcare, education, and housing and transportation systems – but fall short in broadband infrastructure essential to other major potential industries.
- Overall income trends are increasing across the NENV region.
- The economy has been steady for several years, but vary drastically from year to year – depending on the mining industry mineral prices and availability of federal lands.
- Government regulations are restrictive for new industries not traditionally served by local municipality services.

ENVIRONMENTAL CHARACTERISTICS:

- Wildfires are out of control and the burned hillsides create a desolate view

NORTHEASTERN NEVADA SCENARIO PLANNING

DETAILED DESCRIPTIONS OF THE SCENARIOS

- Restrictions in ecosystem management create cultural clashes.
- Loss of habitat and Sage Grouse is listed as an endangered species.
- Lack of development of a major local energy source has given way to fluctuating high-energy costs.
- Grazing rights and hunting usage have been restricted on Federal lands.
- Tourism cannot get actions moving through unpredictable restrictions in recreational usage of Federal parks and forests.

GROWTH AND CONSEQUENCES: HEADLINE NEWS FROM THE FUTURE

Societal

2015: “REGIONAL COUNCIL FINALIZES 10 YEAR PLAN”

2020: “MAJOR OIL DISCOVERY IN NENV AND REGIONAL COUNCIL SCRAMBLES FOR CONTROL; THIS WAS NOT ON OUR RADAR”

2030: “GROWTH THREATENED BY GROUND WATER DEPLETION; DROUGHT AND RATIONING FEARED”

Economic

2015: “NENV IS A STRONG ECONOMIC ENGINE WITH GOLD AT \$2000 AN OUNCE”

2020: “REGION HIT HARD WITH LOSS OF NON-MINING INDUSTRY”

2030: “AS GOLD DROPS TO \$600 AN OUNCE, REGIONAL COUNCIL PREPARES TO SELL WATER TO LAS VEGAS”

Environmental

2015: “RECORD SNOWFALL!”

2020: “SAGE GROUSE LISTED ON THE ENDANGERED SPECIES LIST”

2030: “SUMMER DROUGHT AT 10 YEAR MARK OF LOW SNOW LEVELS”

NORTHEASTERN NEVADA SCENARIO PLANNING

DETAILED DESCRIPTIONS OF THE SCENARIOS

SCENARIO D – THE ROAD TO DEATH

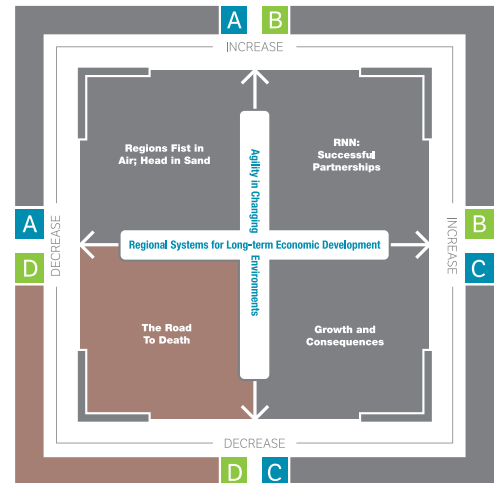
POTENTIAL REALITY FOR THE YEAR 2030 AS DEVELOPED BY PARTICIPANTS

This scenario depicts a NENV that cannot find the motivation to create the regional systems for long-term economic development; and cannot create the agility in changing environments.

The region continues rely heavily on the mining industry and has been willing to take the side effects of not changing their ways. As the region stumbled with the devastating fluctuations of the natural resource sector, it has seemed that things get worse and worse. There may be some pockets of optimism or benefit in this scenario. Affluent people will still be able to afford to live in relative isolation from the broader community and enjoy the quality of life the natural landscape affords.

Overall, the ‘quality of life’ declines, and there is increasing difficulty to access social services. There are fragmented attempts to build regional systems, but these invariably become subject to parochial turf-wars, and fail. Larger communities who have a critical mass tend to grow and provide good opportunities, but the smaller and more marginalized communities face uncertain and impoverished futures.

The region is unable to respond to external changes in the economy, society or environmental conditions. This leads to increasing constraints by externally imposed regulations. The region is increasingly viewed as an optimistic area for extractive industries, with little regard for long-term community or environmental sustainability.



NORTHEASTERN NEVADA SCENARIO PLANNING

DETAILED DESCRIPTIONS OF THE SCENARIOS

THE ROAD TO DEATH: SCENARIO CHARACTERISTICS 2030

SOCIETAL CHARACTERISTICS:

- Decrease of overall population leaving and larger number of older and transient population.
- Great Basin College has closed with lack of funding and youth; now have little labor force.
- Northeastern Nevada has had to go to a regional school district and has struggled to make statewide-required test scores.
- Conversations have been centered on creating a regional county to maintain presence at the state and federal level.
- Decreasing areas considered to be quality of life such as closing of local gas, grocery, etc.
- Decline in health and wellness services and little senior services.
- Crime has increased with the transient population and unemployment; and poorly funded enforcement and judicial systems.
- The NENV region has become isolated from the outside world and within with a loss of sense of community.

ECONOMIC CHARACTERISTICS:

- Mining and Agriculture are the only industry remaining – many are living on subsidies as the gap between the ‘haves’ and the ‘have not’s’ is expanding.
- Tax base has become depleted; property values are down and services depleted to just essential services such as limited hospital and schools.
- Cost of living is high with rising costs and little growth; inflation continues with little attention by financial institutions.
- Government is looking for assistance from outside the region for infrastructure for business development, as lack of investment has its impact.
- Employment is high, income levels at extremes and reinvestment in the community is minimal.

ENVIRONMENTAL CHARACTERISTICS:

- Ecosystem is suffering with overgrown vegetation, lack of maintenance, and deterioration of buildings and leaching of chemicals & waste.
- Water system has been compromised and management to protect wellheads has failed.

NORTHEASTERN NEVADA SCENARIO PLANNING

DETAILED DESCRIPTIONS OF THE SCENARIOS

- The region has been unable to pull together management system in the most critical areas of the environment and scrambles to clean up: invasive weeds, river systems, wildfires burns, decreasing wildlife and struggling ranches.
- Along with more regulations and expansion of restrictions, there has been an overall abandonment of Federal Allotments such as the western watersheds.
- Amenities and recreation management has lost its attention long ago and use has decreased with lack of attention to maintenance.

THE ROAD TO DEATH: HEADLINE NEWS FROM THE FUTURE

Societal

2015: “GRADUATION RATES DECLINE, YOUTH CRIME INCREASES”

2020: “GREAT BASIN COLLEGE CAMPUSES CLOSE – ELKO CAMPUS BECOMES SATELLITE CAMPUS FOR TMCC”

2030: “REGIONAL HOSPITAL CLOSING DOORS – RENO AND SALT LAKE CITY PREPARE TO TAKE ON EXTRA PATIENTS”

Economic

2015: “SERIOUS CONSIDERATION OF CENTRALIZE REGIONAL COUNTY GOVERNMENTS AND SCHOOL DISTRICTS – AS NEIGHBORING COUNTIES MOTHBALL FACILITIES”

2020: “DECLINING GOVERNMENT REVENUES FORCE SERVICE LAYOFFS AND REDUCTIONS”

2030: “PUBLIC HEALTH OFFICER ISSUES NON-ABILITY TO RESPOND TO MAJOR HEALTH EPIDEMIC; BOIL WATER ORDER CONTINUES”

Environmental

2015: ‘TAKE PRIDE IN YOUR COMMUNITY EVENT CANCELLED”

2020: “WATER IS CONTAMINATED, BOIL BEFORE DRINKING”

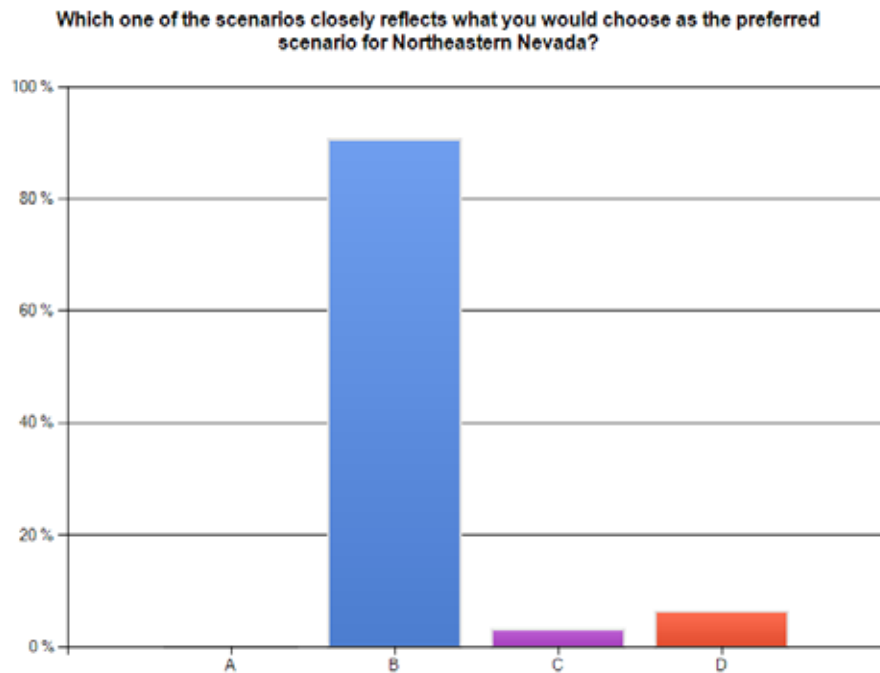
2030: “NATIONAL GUARD CALLED IN FOR CLEAN UP”

NORTHEASTERN NEVADA SCENARIO PLANNING

PARTICIPANT FEEDBACK

PREFERRED FUTURE SCENARIO

Following the scenario planning work, participants were asked to complete detailed surveys to explore their values and perspectives. In particular, people were asked which scenario represented their aspiration future. There was overwhelming alignment that Scenario 8 - Rural Northern Nevada (RNN): Successful Partnerships was the preferred scenario.

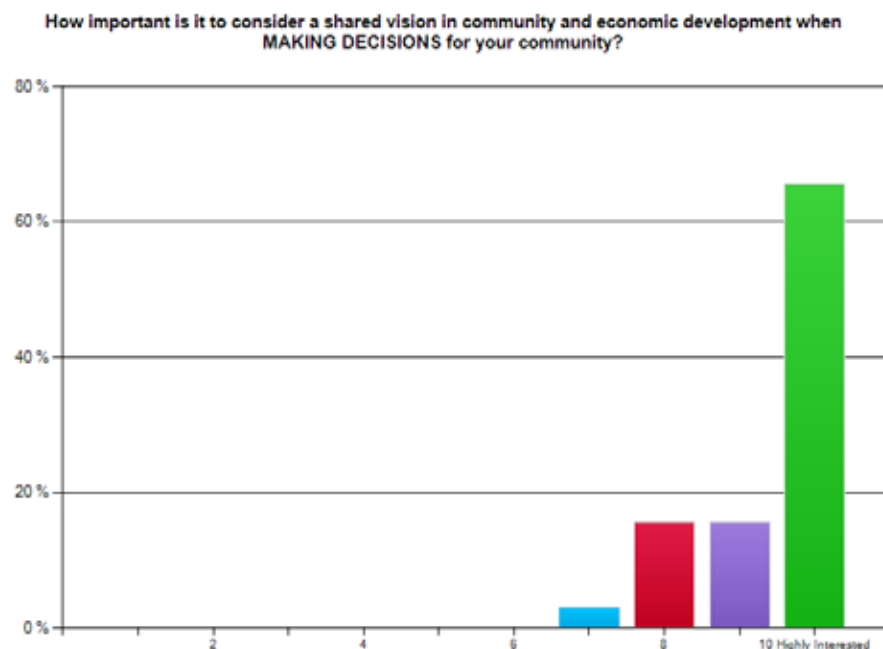
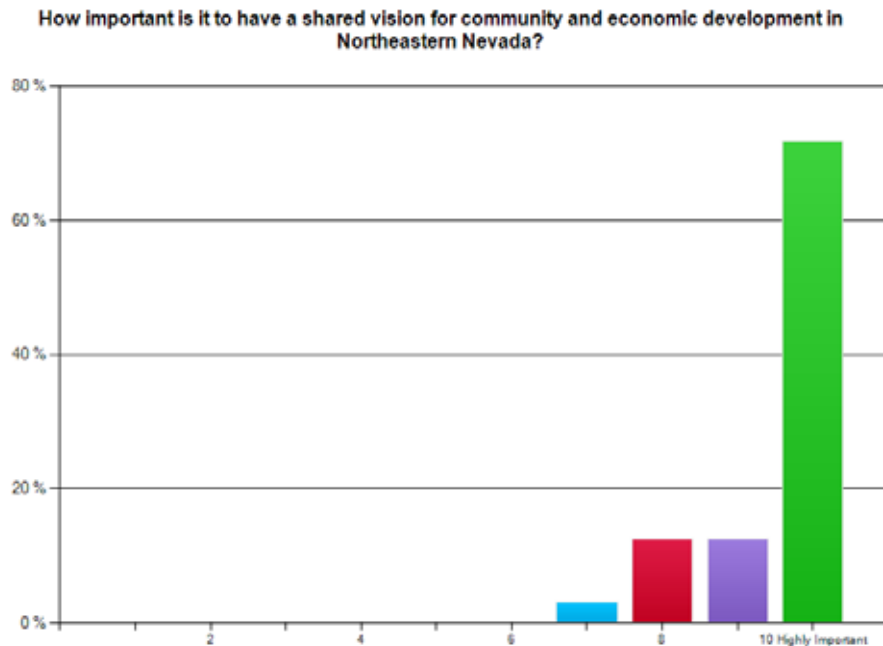


NORTHEASTERN NEVADA SCENARIO PLANNING

PARTICIPANT FEEDBACK

IMPORTANCE OF A SHARED VISION

The participants at the workshop indicated that they thought that a shared vision was very important. They also indicated that a shared vision was very important when making decisions about their local region. These values and perspectives represent a great strength for the future of Northeastern Nevada.



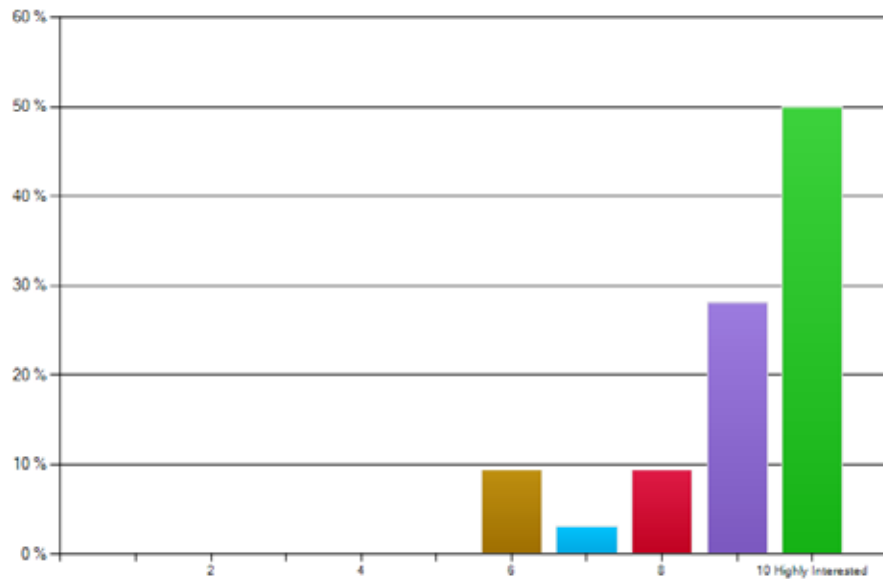
NORTHEASTERN NEVADA SCENARIO PLANNING

PARTICIPANT FEEDBACK

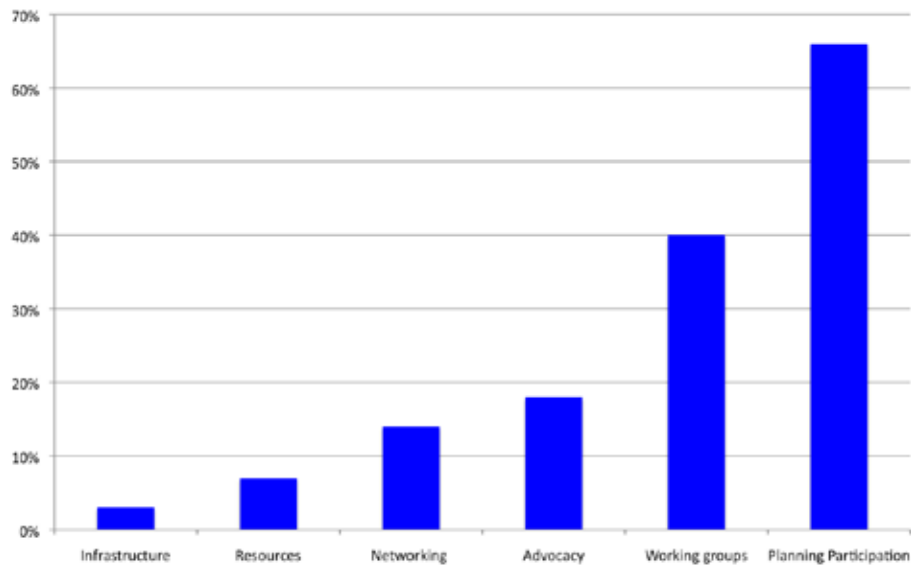
WILLINGNESS TO HELP MAKE THE SHARED VISION A REALITY

Participants indicated a strong willingness to contribute to making a shared vision a reality for the Northeastern Nevada region. In addition, they expressed a strong desire to continue their participation in the regional process through ongoing planning participation and working groups.

How interested are you in helping to make a shared vision a reality for Northeastern Nevada?



If interested, how might you contribute to a making a shared vision a reality for Northeastern Nevada?
Analysis by category

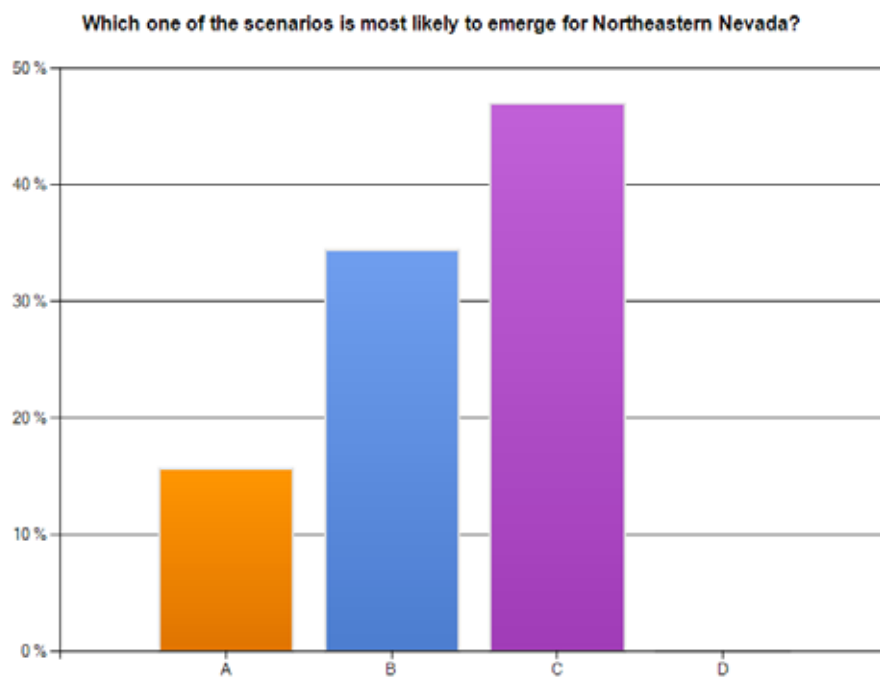


NORTHEASTERN NEVADA SCENARIO PLANNING

PARTICIPANT FEEDBACK

LIKELIHOOD OF SUCCESS

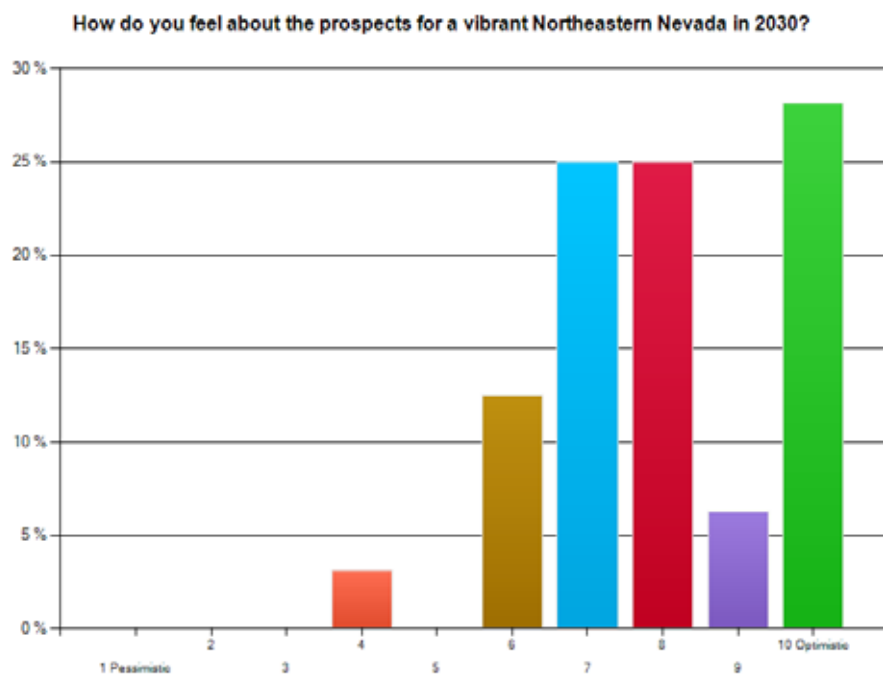
Participants were asked about which scenarios they thought would be most likely to emerge in the region. Only some 35% said they thought the preferred scenario B would eventuate. Nearly 50% considered Scenario C to be the most likely to emerge. This suggests that people believe that the region will readily be able to develop the regional systems, but will struggle to develop the necessary agility to respond to external changes.



NORTHEASTERN NEVADA SCENARIO PLANNING

PARTICIPANT FEEDBACK

There was relatively high level of optimism about the future, and very few people expressing a pessimistic view. In some ways this would be expected given the workshop participants are likely to be the more engaged and 'can-do' people in the regional community. It would be important to consider how the broader population might view the future, and to find creative ways to build increasing optimism about the future within the regional community.



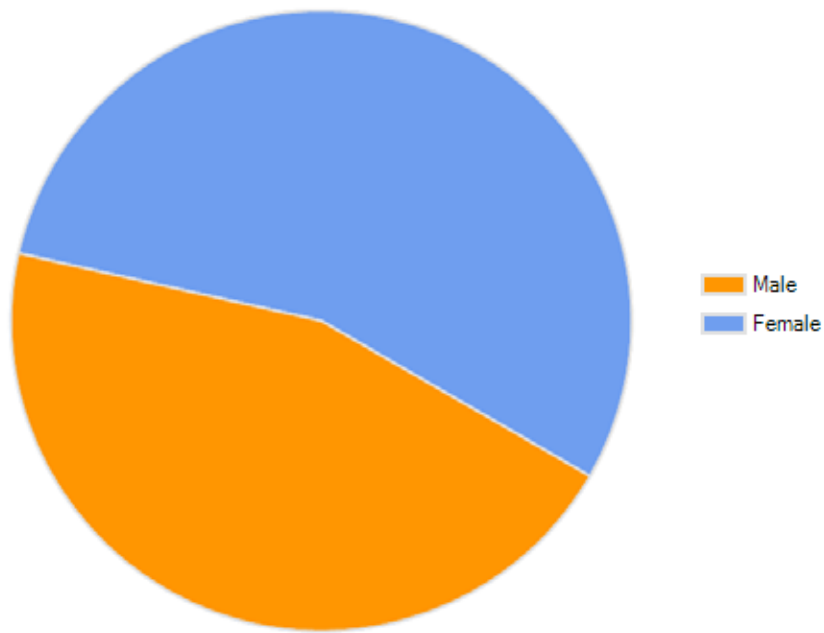
NORTHEASTERN NEVADA SCENARIO PLANNING

PARTICIPANT FEEDBACK

REPRESENTATIVENESS OF SCENARIO PLANNING WORKING GROUP

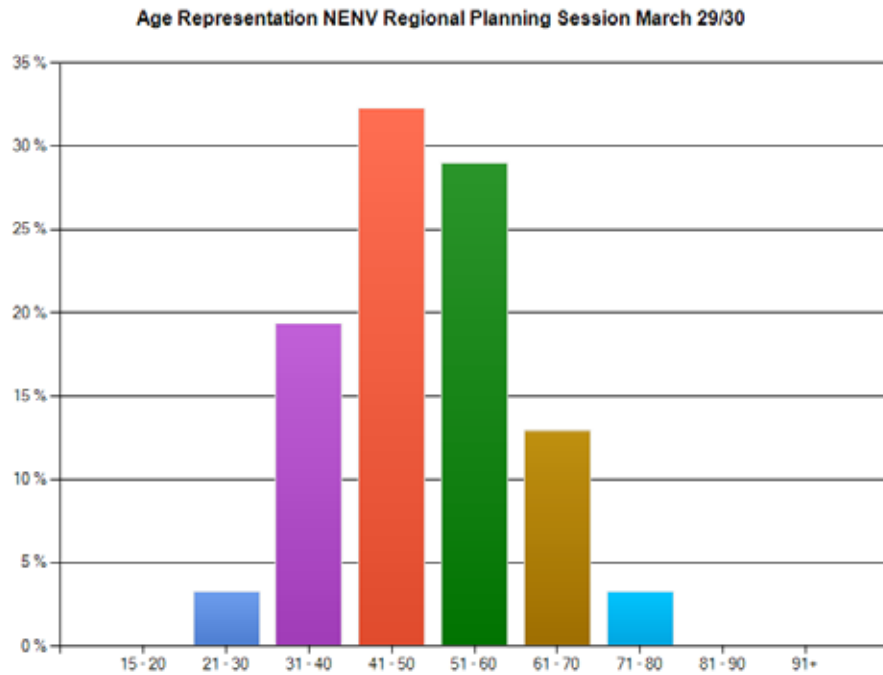
Some data was collected that measures the relative representativeness of the workshop participants. In terms of gender, there was a roughly equal representation from men and woman. The age profile is reasonably good for such a workshop. The peak numbers were in the 41-50 year category, but there was reasonable representation from across the key age groups.

Gender Representation NENV Regional Planning Session March 29/30

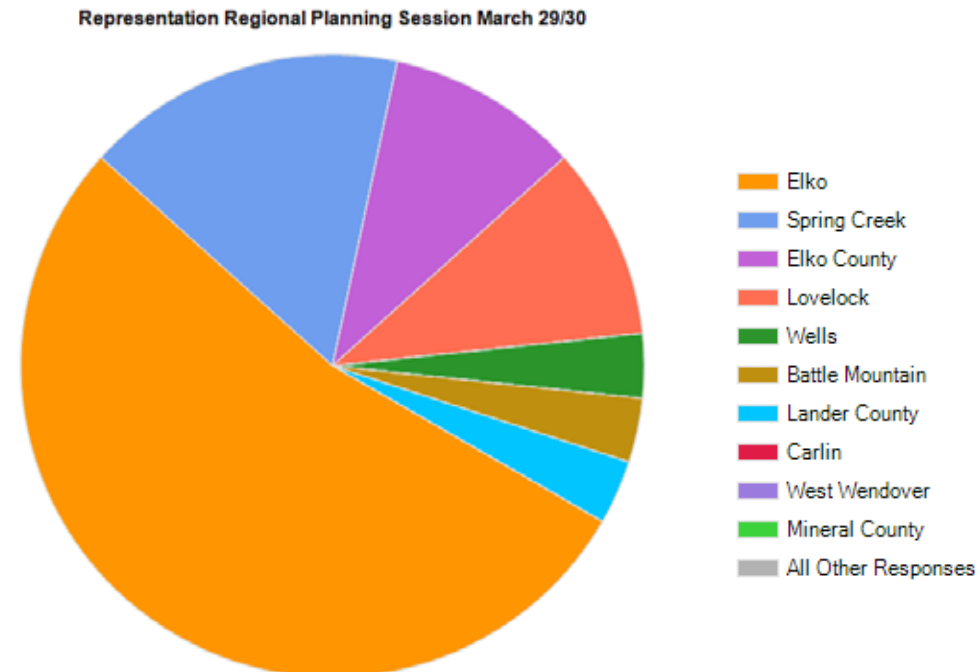


NORTHEASTERN NEVADA SCENARIO PLANNING

PARTICIPANT FEEDBACK



Perhaps not surprisingly there was a dominance of people from Elko (given the workshop was held in Elko); but there was also a good representation from across the regional communities and Counties. This can give some comfort that the workshop participants relatively well reflected the views of people in the broader regional context.



NORTHEASTERN NEVADA SCENARIO PLANNING

PREPARING FOR THE FUTURE

PREPARING FOR THE FUTURE

As a part of the process the participants produced an action list that they felt was critical to creating the base for the preferred vision to become a reality in the region.

Northeastern Nevada Action List as first steps toward the preferred future:

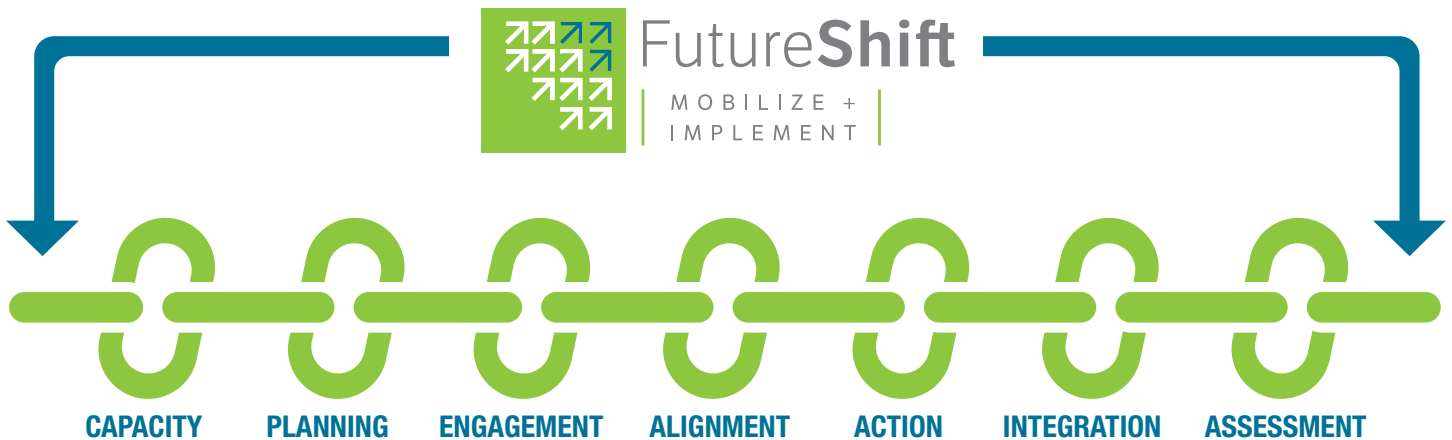
- Invest in regional broadband infrastructure
- Invest in industrial infrastructure
- Development of leadership with a vision
- Generalized shared vision
- Improve networking systems
- Build collaboration for housing development
- Participate in federal land development policy
- Collaborate for increased workforce development

This scenario planning report is a first step in providing a resource to help extend the conversation about Northeastern Nevada's future beyond the workshop. It will serve as a tool to create a shared vision and economic development plan for the future. In the next steps, this resource will be used to prompt discussions amongst the wider region as to possible implications of various future events and region-wide strategies needed to ensure sustainability and prosperity for the region.

Just like the scenarios, the actual future will develop from a combination of action and inaction by the stakeholders involved as well as external forces. The Northeastern Nevada region will be embarking on a comprehensive capacity building and engagement process, call FutureShift, to develop a common direction and cohesive strategic economic action plan.

NORTHEASTERN NEVADA SCENARIO PLANNING

PREPARING FOR THE FUTURE



Specifically, the process is intended to assist the region towards three major areas toward developing the capacity for ongoing economic development action:

1. Defining the region through a regionally developed plan toward a common future including;
2. Create regional economic and social resilience and capacity systems through engagement and collaborative initiatives; and
3. Mobilize development around early agreed upon actions that are critical baselines.

The process will have four major phases that will be done over a period of several months in order to bring the region together to contribute to the final vision and develop the actions and momentum to sustain a long-term resilient plans for Northeastern Nevada:

NORTHEASTERN NEVADA SCENARIO PLANNING

PREPARING FOR THE FUTURE

PHASE 1 - FOUNDATIONAL STRUCTURES AND SCENARIO PLANNING

- Liaison with the staff of Northeastern Nevada Regional Partnership and key stakeholders
- Review Scenario Planning outcomes and Target sector analysis
- Development of a detailed project work plan
- Define key project messages for communication plan
- Analyze Social Networks – (using PeopleLink, the Future iQ Partners network tool)
- Develop workshop resources and survey tools – including Mining Future Game
- Develop public engagement, training system and outreach plan
- Design critical elements of the online engagement center
- Mobilize key actions

PHASE 2 - ENGAGEMENT AND TRAINING PROCESS

- Design and deliver local regional workshops (including adaptations for various key sectors)
- Communication strategy implementation
- Conduct Regional Economic Partnership Training
- Community, sector and demographic specific workshops and engagement
- Data collection and online engagement
- Mobilize key actions

PHASE 3 - RESULTS, FORMULATION OF STRATEGIC PLAN AND DISSEMINATION

- Review of surveys and public engagement data-develop analysis and findings
- Vision statement refinement & Draft Regional Economic Action Plan
- Core system creation for ongoing capacity building, collaboration and engagement & Prepare for integration of target markets and Community Business Matching Process
- Public dissemination and feedback
- Connection into a global network of regional innovation
- Mobilize next level key actions

PHASE 4 - INSTIGATION OF SELF-PERPETUATING PROCESS

- Framework and mechanisms for ongoing evaluation and measurement of plan effectiveness
- Evolvement and self-perpetuation systems
- Define actions beyond the engagement process

NORTHEASTERN NEVADA SCENARIO PLANNING

PREPARING FOR THE FUTURE

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Elko County Economic Diversification Authority
Representing Northeastern Nevada

NORTHEASTERN NEVADA SCENARIO PLANNING

NORTHEASTERN NEVADA - 30 MARCH 2012

REPORT AND SCENARIO PLANNING WORKSHOP PREPARED BY:

Juliet Fox and David Beurle, Future iQ Partners – April 2012

Future iQ Partners specializes in assisting communities, regions and organizations to plan and prepare for their future. With staff in Australia, USA and Europe, the company develops the tools and approaches to allow regional communities to think about their future in a new way and to respond to a rapidly changing world. Future iQ Partners is a market leader in the field of regional scenario planning and has undertaken projects across Australia, USA, Canada and Europe.

ABOUT THE AUTHORS:



Juliet Fox did her graduate work in Human and Organizational Systems was focused on rural economic development and regional resilience to change. In addition to her twenty years of experience, she served Dunn County Wisconsin as an elected board member.



David Beurle holds a degree in Agricultural Science from Sydney University and has worked in industry, organizational and regional scenario planning projects across USA, Canada, Australia and Europe.

FOR MORE INFORMATION ON THE SCENARIO PLANNING PROCESS

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