



STEERING IT FORWARD

TOGETHER WE CREATE THE FUTURE OF NORTHEASTERN NEVADA

Regional Planning - Industry Sector Meetings

Overview

The Northeastern Nevada Steering It Forward planning included conducting sector meetings in each of the communities within the region. Each sector meeting outcome is documented in the following report and will be incorporated into the overall report of the Steering it Forward project. Invitations were sent to each of the industry sectors to attend these meetings and gain input from the industry's perspective. We provided a brief overview of the project and the scenarios that were developed for plausible futures of the region at each sector meeting. Following the overview, we learned about the industry, their issues and challenges, as well as opportunities. Each session concluded with a list of actions that will seize the opportunities, eliminate challenges and move the industry toward the preferred future.

The sector meetings were held in Elko and Battle Mountain. Additional meetings will be held in West Wendover later in the spring and will be added to this report then. The overall outcome of the sector meetings was to have more collaboration, communication and form committees or teams to address major issues. Attendees recognize the need to work together to achieve better results and address items that are regional rather than individual. Most recognize that the trend of less resources and funding is here to stay and that we must all find ways to do more with less. There was amazing recognition that collaboration is perhaps the best overall solution to do more with less.

Tough topics were tackled with solutions and actions to be taken in every sector meeting. The next step is to consolidate all of the information into an action plan and assign groups to actions. Issues that

surfaced in every one of the sector meetings included; Housing, Workforce, Financing and Government Regulations. These issues are impacting every industry, every local government and all of the communities in the region. These issues are a logical place to start with regional collaboration.

The process associated with Government regulations at both the state and federal level and to a lesser extent local, are hampering every stakeholder in every industry. The Federal Government requirements for anything that has to do with public lands has become a major obstacle to the well being of businesses and growth within our region. The length of time for permitting and federal approval is at a minimum several months and in many cases, several years depending on the requirements. The process can be so overwhelming that one of the federal attendees highly recommended hiring an expert consultant familiar with their processes in order to succeed. The time and cost to get through these processes is staggering.

At the state level, the Public Service Commission's regulations prevent all utilities from being proactive and able to provide critical infrastructure to new and expanding business. The regulations that exist force utilities to be reactive and in many cases doing the same work multiple times when it could have been done once.

Housing is literally crippling the largest growth area in the state. We cannot expand business or bring new business to town if we can't find places for their employees to live. Employees living in hotels and motels are preventing visitors from getting rooms. Local events that normally draw thousands of visitors to town are struggling to maintain attendance. Long term stays in hotels and motels become exempt from the room tax, creating another whole set of issues. Employees are choosing to leave Elko to go to other locations where they can find housing.

Financing is a major issue in addressing the housing shortage. Even with major efforts such as the Summit conducted in Reno last May, we are still struggling to find lenders willing to lend in Nevada. Business loans, construction loans, or loans of any type are still extremely difficult to obtain. Without financing, we can't build housing, expand existing business or build new business.

And finally, workforce is in great demand and short supply in the region. At all skill levels including minimum wage jobs, we struggle to find employees. Every suitable and qualified person who wants a job has one. There are several initiatives that are in progress or are identified that will begin to address this problem long term but there is no short term resolution. It may be the easiest of the four issues to solve in the long term but we have yet to identify an immediate solution.

Sector Meeting: **Elko Agriculture/Ranching**
Battle Mountain Agriculture/Ranching

Date: 11/13/12 Time: 1:00pm

Date: 12/20/12 Time: 10:00 am

Number of Attendees: 10

Overview: The Agriculture sector meeting was the first and as one of the oldest industries yet least understood, it was great to get an education. There was much discussion about the regulations associated with ranching, particularly with grazing allotments. There are a number of factors critical to the success of ranching that are not within their control. The federal government has the power to make decisions that literally can put a ranch out of business, most notably their access to grazing allotments. The cost of feed, transportation and other cost are making it more and more difficult to break even let alone make a profit. Finding ranch workers has become very difficult with a high amount of turnover.

Challenges:

- future workforce, feed, fuel and equipment
- water (competition)
- sage grouse
- corporate mining ownership
- US economic policy
- competition for rangeland
Environment/ eco system

Opportunities:

- global demand for beef protein
- combine agriculture with tourism
- food / culture
- health options- grass fed

Actions:

- check into selling local to avoid cost of transport, schools for lunches would be one example
- local outreach - 100 mile radius to educate the public on ranching

Despite the challenges and opportunities, there was some optimism about the potential to develop some branding of local produce, aimed at achieving a market premium. There may also be some considerable potential to develop a more local 'food system' with regional produce being supplied to schools and institutions, creating some educational and economic opportunities.

Sector Meeting: **Real Estate/Construction** Date: 12/12/12 Time: 1:30pm

Number of Attendees: 9

Overview: This sector meeting was well represented by realtors and developers that have actively worked through some of our extreme challenges with housing and industrial development over the past two plus years. One of the really interesting focus areas was on the length of time and number of government entities at all levels (Federal, State, and Local) that get involved in the process of construction projects. One example in the meeting has been at the drawing board for over five years because of federal and state permitting and approvals. This issue was also cited with the Utility sector meeting.

Challenges:

- lack of housing / hotels are residential
- lack of lenders willing to fund construction projects in Nevada
- financing will get even more difficult as other areas recover (Las Vegas, Reno, etc.)
- losing tourism because of residents in hotels
- conflict exists with the multi-generation family that do not want growth
- lack of confidence/ lenders and investors want their investment protected

Opportunities:

- need to continue working on land, infrastructure, and lenders to solve the housing and industrial land shortages
- build confidence within the community to make right decisions to ensure their investments are protected
- city, county, developers, and employers must work together to solve issues
- we need confidence, commitment, then action
- we need to diversify from mining

Actions:

- outline development process - Pam and Ken to develop a wall report to show the collective process requirements and the burden on developers
- share expertise / knowledge to save time and effort
- create a task force to work with local government to solve infrastructure needs
 - Identify stake holders-find weak links and strengthen
 - Prioritize for all to build infrastructure from
 - Build partnerships to assist – may want to borrow from Eureka County and School District

This area is a critical limitation to economic development in the region. Examples were cited where businesses and employers have already lost opportunities to Reno and Salt Lake City based operations, due to a critical lack of suitable housing in the region.

Sector Meeting: **Community Health** Date: 12/11/12 Time: 6:00pm

Number of Attendees: 10

Overview: The Community Health meeting was attended by Great Basin College faculty, school nurses and a few local physicians. A separate meeting was held on 2/14/2013 to gather additional input from staff at Northeastern Nevada Regional Hospital (NNRH) and to summarize written comments from a representative for Golden Health and The Elko Clinic. Many people discussed the absence of a public health agency in Elko (office was closed by the State of Nevada in 2005) and the basic services a Public Health professional typically provides to patients. Attendees agreed that the local hospital has done well to expand health services, recruit physicians and specialists into the area. However, the participants suggested that the health challenges our rural Nevada citizens face may benefit by forming a more diverse and collaborative task force comprised of a hospital professional, area providers, educators, health-related non-profit representatives and regional government.

Challenges:

- State cuts - county cannot cover all of the cost
- limited public health services
- cost of healthcare going up yet more people in need
- low income clinic is filled to capacity and must be expanded
- school district is administering vaccines because families can't afford it or can't get an appointment for weeks
- suicide rates, domestic violence and violent crimes are increasing
- child care difficult to get, not enough providers
- must drive to other locations for service not provided locally
- Nevada malpractice insurance was reported as three times higher than other states
- Not enough mental health/addiction services
- Lower income families may not be able to afford healthier foods (fresh fruit and vegetables are often more expensive than fast food)
- The community is growing but there doesn't seem to be enough physicians or providers to take new patients
- We need specialists but the community isn't large enough (not enough demand) to support a medical practice
- Need primary care physician(s) who will take Medicare / Medicaid
- No Public Health Nurse

Opportunities:

- must work together as a team
- need to look at regional/community needs/issues
- bring in more healthcare and it will create higher paying jobs
- quality of care
- Continue to educate children, lower and middle income families about healthy food choices and the health benefits of an active lifestyle

- Support a community recreation center
- Hospital should pursue telemedicine technology and relationships to connect patients with needed but currently unavailable medical specialists
- The school district can administer vaccines to children enrolled as students
- Push NV legislators to fund a Public Health Nurse again

Actions:

- Create a community health task force, comprised of members who fairly represent the health needs and treatment of our regions' ages, ethnic background and economic status.
- Ask the task force to assess and develop a plan for the region's health needs

Sector Meeting: **Local Government and Education**

Date: 12/11/12

Time: 8:00am

Number of Attendees: 14

Overview:

The Local Government and Education sector meeting was well attended by the regions local government leaders including the Chair of the County Commission, the Mayor of Elko, Superintendent of Schools, President of the college, Board of Regent for our area, and others in leadership positions within the community. Much discussion took place on the changing landscape for local government and education. The trend to reduce funding and push services to the local level looks to continue for the foreseeable future. Discussion also centered on issues that all entities are facing where regional efforts and collaboration might produce better results. The region will face a projected growth of 40,000 residents over the next 10 years. This meeting was very exciting with a commitment from all of the entities present to form a Committee to begin working together on common issues and solutions.

Challenges:

- reduced funding for GBC and K-12 while number of students continues to increase
- class sizes are currently the highest they've been in 15 years
- Services formerly provided by the state pushed down to County to provide with no funding assistance
- gap between young/old workers - not many in the middle, severe lack of workforce in the region at all skill levels and in all industries
- Severe housing shortage and difficult to find lenders willing to loan on construction projects in Nevada
- Lack of industrial land to develop, critical for our future
- Lack of infrastructure in key growth areas
- Employees come for jobs but are not vested in the community
- Lack of transportation
- Our growth is causing stress to law enforcement and other government departments to provide more services and in many cases with reduced funds

Opportunities:

- better collaboration among the regions leaders
- Schools will need new facilities to sustain growth, K-12 and GBC
- find new funding mechanisms for education and address the work force shortage
- need new residents to feel welcome so they will want to stay
- work with all the stakeholders to develop infrastructure, industrial land and housing
- we have strong leadership but we need to encourage bold moves
- individually we cannot be efficient, but together we can find solutions
- Agility in our changing environment

Actions:

- form a regional leadership committee to meet at least quarterly – Pam will organize
 - Rotate the location of meetings among the committee entities and learn more about each other
 - to begin ASAP and begin addressing issues common to all in the region
- Take the same collaborative concept to the legislature, state needs to change as well – tax structure, etc.
- Work to get our fair share of federal funds
- Educate the rest of the state on how they benefit from mining

Sector Meeting : **Mining Supply Chain** Date: 12/10/12 Time: 1:00pm

Number of Attendees: 18

Overview:

Newmont, Barrick and some of the larger mine support companies were invited to this sector meeting to discuss the mining industry and to identify ways to diversify through recruiting of the supply chain. Attracting manufacturers to the region that supply the mines will diversify our economy as well as better serve mining. The meeting was very productive with an outcome to continue meetings and begin documenting the supply chain. We talked about growth in mining, the new types of mining coming to the region and the competition for skilled workers.

Challenges:

- Workforce – labor is one of top two costs, competition for employees
- Housing shortage makes recruiting difficult
- Permits time consuming and costly
- infrastructure
- lead time on equipment, limitations to supply
- commodity prices
- mergers/buy outs
- cost to mine is escalating at the same pace as the price of gold

Opportunities:

- Refining at the mines rather than other states or nations
- more focused effort to address workforce shortage both long term and short term:
 - GBC / MTC program expansion
 - Recruit National / International
 - In-house training - other institutions
 - Automotive/ diesel school locally
- 25% growth over next 5 years, diversifying types of mining

Actions:

- Develop a supply chain of vendors used by the mines and major support companies and determine which companies are not local that could be.
- Focus on solutions to workforce shortages and expand current effort of Dream it Do it
- Continue work on housing projects

Sector Meeting: **Non-profit, Service Clubs** Date: 12/12/12 Time: 10:30am

Number of Attendees: 27

Overview: This sector meeting was the largest attendance with most of the non-profit service entities in attendance. Discussion was similar to other sector meetings with regard to shrinking funds and demand for increased services. Affordable housing and healthcare were major topics as many of these entities provide various human services. There is a great deal of concern for low income families to find affordable healthcare and housing. Low-Income housing is desperately needed as low income families cannot afford the housing that is currently being constructed. The group's goals included reviewing the services they provide to eliminate duplication and to work on acquiring more grant funding.

Challenges:

- declining funds available through the State and Federal programs
- GBC funding cuts are severe problem for training of work force
- aging population leaving the workforce creates challenges and opportunities
 - Not enough workers to replace retirees
 - Retired talent can be used in other areas of need such as teaching
- Most physicians will not take Medicare/Medicaid, doctors that did are now declining to do so leaving patients with no local physician
- healthcare resources are limited, need more doctors and services to eliminate travel to other areas for healthcare
- difficult to recruit and to retain doctors in rural area
- transportation to healthcare for seniors (out of town)
- need to improve schools
- Region doesn't have a process to educate new residents on what is available to them, new residents have a difficult time with the transition
- need more low income housing

Opportunities:

- find solutions to provide low income housing
- use the retiring population's expertise in other areas (ex: retired mine workers teach at GBC)
- make the community more attractive for the newcomers so they have a reason to stay
- partner with education to obtain more grant funding
- use private training when feasible

Actions:

- Non-profits to form a group and meet monthly to work on a shared vision
- Build interest to recruit families not contract employees
- Collaborate with each other to eliminate duplicate services
- Help shape healthcare - not relying solely on the hospital
- Create a taskforce to apply for more grants (HUD, FDAC, etc.)

Sector Meeting: **Retail** Date: 12/12/12 Time: 4:00pm

Number of Attendees: 7

Overview: The retail sector attendance was small but those who did attend represented each of the major retail areas so the discussion was very good. Like most other sector meetings, workforce is a major issue along with affordable housing. This sector has relatively low paying jobs and their employees are finding it nearly impossible to obtain affordable housing. Downtown redevelopment and the difficulty of competing with other retail areas with big box stores were issues for the downtown businesses. Financing was another area of concern with the difficulty in getting loans in Nevada and in particular small rural areas.

Challenges:

- lack of skilled workers - younger generation lacking work ethic, "poaching" employees, high turnover with p/t employees
- competition from big box stores, taking away from downtown
- cannot compete with larger buying power
- lack of transportation locally
- Airport is under utilized
- lack of housing to bring new employees
- financing difficult/lenders shut down when NV is mentioned

Opportunities:

- create something unique to attract visitors and locals
- partner with events to encourage shopping and provide transportation to do so
- link downtown (business) with the history of the area; California trail center, Folk life center and the railroad
- make the redevelopment plan a priority and begin implementing it
- get private sector and local government to work together
- need more adult education in addition to mining
- become more competitive through use of modern technology
- get affordable housing

Actions:

- create a more vibrant community
- All retail areas promote and work together to shop and buy local
- add transportation for retail areas to RTC
- look at group insurance pool through Chamber
- create social media sight (Google, etc.) that highlights things to do here
- Get all retail areas to work together

- Survey membership with Chamber and NNRDA on willingness to partner with other businesses and generate a list of who is willing and what needs to be done for use of social media, group insurance pool, etc.
- Downtown opportunity to create something different, more specialized stores and unique shopping.

Sector Meeting: **State and Federal Government** Date: 12/12/12 Time: 8:00am

Number of Attendees: 9

Overview: The BLM had a conflicting meeting and were not able to attend this sector meeting but the Forest Service was there as well as state offices. Much of the discussion was about the difficulty of working through established procedures for permitting as well as the reduction in funding and increased demand for service. One recommendation was to hire those who have the expertise to work with the Federal agencies to get projects completed. Those with no experience tend to have great difficulty. Everyone agreed that more coordination between governments at all levels would produce positive results.

Challenges:

- coordination between state and federal government
- Public land issues such as sage grouse, travel management, organized recreation, etc.
- seasonal employees can't afford to live here
- ranking and prioritizing projects, workload increases with less funding
- planning to expand city limits/ public lands
- aging and disabled coming along with new workers that require more services, less money to provide services
- healthcare is lacking and some like HHS gone out of business
- Communication prior to the beginning of a project

Opportunities:

- An Advocate to work with companies and others to interact with the federal government and their processes. Provide information on consultants with expertise to assist in the permitting process.
- communicate upfront not well into process
- people need to feel engaged in the community

Actions:

- clear vision/ planning for public lands that includes all stakeholders input and approval
- regional outlet to coordinate/communicate on regional issues such as wildfire, drought and road maintenance
- educate people on the Government process and find experts to assist with the process

Sector Meeting: **Tourism & Gaming** Date: 12/11/12 Time: 1:30pm

Number of Attendees: 8

Overview: Tourism and Gaming are also struggling to find employees and their employees are struggling to find affordable housing. Hotels and motels are filled with residents waiting to find homes which are severely impacting the tourism industry and local events. Gaming is now mostly local and not a destination for travelers. They question whether to build more hotels as the demand will decrease when more housing is available. Something must be done to keep local events from losing more attendance due to the lack of hotel room availability during events.

Challenges:

- hotels are turning into residential living
- extended stays over 28 days lose the room tax
- events are affected because hotel rooms are filled with residents and not available for visitors
- gaming is now 75 to 80% local
- hard sell - need exposure to bring people into the area
- investors want to make their money back in 5 years
- cost of living higher because everyone assumes you work at the mine and have money
- local workers in these industries need affordable housing

Opportunities:

- promote the "unique" area
- business traveler would be the most likely person to attract
- find funding for low income housing
- show how the dollar spirals through the community

Actions:

- Secure low income housing projects
- Cooperative advertising on tourism marketing; ECVA, tribal, nature, culture, etc.
- Look into incorporating travel visa's into business visa's. (business visa's are easier to get)
- Housing survey and needs assessment to; provide to government entities for funding of low income housing, to see how many of residents would qualify for low income housing.
- Provide education on how revenue flows through the community from tourists and visitors.
- Develop a unique experience to attract visitors

Sector Meeting: **Utilities** Date: 12/11/12 Time: 10:30am

Number of Attendees: 13

Overview: All of the utility companies attended this sector meeting and engaged in discussion on some very difficult issues. Most of the companies are regulated by the public service commission and have strict guidelines for how they can expend funds. They are unable to be as proactive with building infrastructure for growth as they would like to be. There is also substantial stress with not being brought into the loop soon enough for development and growth. Like the construction industry, the time it takes to get permits through government entities is unacceptable and holds up projects for months. All companies reported growth as much as doubling over the past year and expect that trend to continue. Like everyone else, having enough resources and skilled workers to handle the growth is a challenge.

Challenges:

- Public Utilities Commission (PUC) does not allow utilities to build for the future, this causes work to be done multiple times instead of once as well as unnecessary delays to projects.
- Process/timing for permits are too lengthy and take as much as 3 to 5 years for Right of Way permitting, permits can be more costly than the project they are for.
- higher speeds for internet are not available
- It is difficult to estimate growth; trust issue/ we hear growth but then see layoffs, conflicting reports of how much and what growth
- Told about the growth that is coming but don't get enough information about the potential requirements to be proactive.
- Need more water lines but next step is a big leap and expensive with no revenue source to pay for them.

Opportunities:

- Need to minimize risk- need commitment in order to invest in additional infrastructure
- A study to tell what plan might be for growth and priorities (the City of Elko just completed one)
- Funding, partnership - team approach
- Identify if there are other "green" energy options

Actions:

- At State level, they need to share financial responsibility to reduce the risk
- Manage the risk through collaboration, state PUC changes and corporate confidence in projections
- Get information that is reliable to project growth and then permission to proactively provide service for the growth
- Change government policies to be more proactive and allow growth to occur expediently
- All utilities to form a coalition to identify solutions to these issues and present them to the PUC and Federal Government for changes and resolution.

Conclusion and Action Plan

The loudest message of all was that we must learn to do more with less. No one is untouched by the reduction of funding to government and non-profits. Every Industry is impacted in some way or many ways by Government.

Northeastern Nevada has three primary industries and two of the three are heavily dependent on government regulations and processes. The region is not agile or able to change with the times when they are dependent on the government to be responsive to those changes. Virtually all of the processes that exist to acquire government approvals are very cumbersome and time consuming. It is virtually impossible to be proactive and frequently requires retaining experts to assist with meeting government requirements.

At a time when we need growth and to create jobs, we are literally prevented from succeeding because processes have become so onerous that it requires months and years to gain approval from the federal government and at times state government.

As a region, we need to be more agile and ready to change as world forces dictate. We need to be proactive in placing ourselves in the best possible position to succeed both now and in the future. It is time for other levels of government to examine their processes and find better, faster, more efficient ways of doing business as well.

For this effort however, we will focus on the action that we can take to work toward our common vision for the future of our region.

Action Plan

CREATE A LEADERSHIP COUNCIL

Develop a leadership council for the region that will allow all entities to collaborate on regional issues and provide solutions. The Council will be created by NNRDA and will consist of the following members; The County or City Manager and the Chairman or Mayor of the Commission or Council for each City and County within the region, The President of the Great Basin College, The Superintendent of Schools for the County(s), NNRDA Executive Director, and the Director of the Elko Convention and Visitors Authority. This initial group will convene and determine if and when other members might be appropriate. The first meeting will include agreeing to regional items to be addressed by the Council and prioritizing those items as well as organizational decisions such as when to meet, etc.

CREATE A REGIONAL COMMUNITY HEALTH TASK FORCE

Develop a regional health care advisory board to oversee the healthcare needs of the region, create a community health plan and report to the Leadership Council periodically on their progress. This is to be a volunteer task force made up of the following members; One member from NNRH, two members from local physicians, one from GBC, Ambulance/EMT Director, a representative from the non-profit

groups, a member from Highland manor, a member from Nevada Health Services, Mental Health, Hospice and veteran affairs.

CONTINUE WITH THE MINING SUPPLY CHAIN COMMITTEE

One of the main focus areas for the Mining sector meeting was to identify a committee to work on identifying the supply chain used by the mines and support companies in an effort to recruit suppliers to the area that are not currently local. This committee will continue to meet and to work on identifying the supply chain and develop target companies to be recruited to the area. This committee is comprised of the mines, key support companies, the GOED Mining Industry Specialist and Economic Development entities within the mining region, specifically NNRDA, Lander and Humboldt counties but may include additional EDA's as the committee progresses. This group should also report back to the Leadership Council periodically on progress.

NON-PROFIT COALITION

The Non-profit groups have already formed a coalition and are working together to streamline services and identify ways to collaborate and maximize their services to the community. This group will continue with this effort and report back to the Leadership Council periodically on their progress. One issue the group should work on in conjunction with NNRDA is acquiring more low income housing.

THE UTILITIES COALITION

The Utilities all have the same issues in common and need to work together to solve those issues. Legislation must be drafted that will allow changes to the PUC required tariffs to allow utilities to be more proactive in providing infrastructure for growth. The utilities will also need to work with the Lead Development Committee on the permit process with the Federal agencies. We must find ways to improve the lead time and cost of these processes.

CREATE A RETAIL GROUP

A representative from each of the primary retail areas in the Elko area should form a group to look at ways to work together to promote shopping throughout the region and other issues common to retail.

THE LEAD DEVELOPMENT COMMITTEE

The Lead Development committee already exists and has worked on projects like the Summit in Reno last May to attract developers and lenders to build housing. This group needs to address the cumbersome and expensive processes associated with development projects that require permitting and approvals at all levels of government and find solutions to propose to those entities to make the processes more efficient, timely and less expensive for developers. The lead development committee includes the utilities so it is feasible to combine these two committees.