

**LYON COUNTY PLANNING COMMISSION
MEETING AGENDA**

JUNE 14, 2016

**COMMISSIONERS MEETING ROOM
LYON COUNTY ADMINISTRATIVE COMPLEX
27 SOUTH MAIN STREET
YERINGTON, NEVADA**

(Action will be taken on all items unless otherwise noted)

**TO AVOID DISRUPTIONS DURING THE MEETING, PLEASE PLACE
CELL PHONES IN THE SILENT MODE OR TURN THEM OFF.**

NOTES: This is a tentative meeting schedule. The Planning Commission reserves the right to hear items in a different order, combine items for consideration and remove an item from the agenda or delay discussion relating to any item at any time to accomplish business in the most efficient manner. Items scheduled at a specific time cannot be heard earlier than at the scheduled time per Nevada Open Meeting Law Requirements.

Restrictions on comments by the general public: Any such restrictions must be reasonable and may restrict the time, place and manner of the comments, but may not restrict comments based on viewpoint.

Members of the Planning Commission also serve as the Public Lands Management Advisory Board and during this meeting may convene as this Board as indicated on this or a separately posted agenda.

9:00 A.M. - DETERMINATION OF A QUORUM

PLEDGE OF ALLEGIANCE

REVIEW AND ADOPTION OF AGENDA (for possible action)

APPROVAL OF THE MAY 10, 2016 PLANNING COMMISSION MINUTES (for possible action)

PRESENTATION AND READING OF MISCELLANEOUS CORRESPONDENCE

PUBLIC PARTICIPATION – Members of the public who wish to address the Planning Commission may approach the podium and speak on matters related to the Lyon County Planning Commission, but not on items appearing on the Agenda. Speakers are asked to state their name for the record and to sign and print their name on the form at the lectern. Comments are limited to three minutes per person or topic. The Commission reserves the right to reduce this three minute time limit, as well as limit the total time for public comment. If your item requires extended discussion, please request the Chair to calendar the matter for a future Planning Commission meeting. The Planning Commission will not restrict comments based on viewpoint. The same applies to public testimony on each Agenda item. The Chair may reopen public participation at any time during the meeting. No action may be taken upon a matter raised under this item of the Agenda until the matter itself has been specifically included on an agenda as an item upon which action may be taken.

PUBLIC HEARING ITEM

- 1. SOUTH COMSTOCK TAILINGS DISPOSAL / ART WILSON COMPANY – SPECIAL USE PERMIT (for possible action) – Request for a special use permit to operate a small (less than 150 tons per day) gold processing / milling facility, including excavation (aggregate quarry and associated crushing), a cement batch plant, and mobile home for watchman's quarters, all within the Comstock Historic District and the RR-5 (Rural Residential-20 acre minimum) Zoning District; all located off of Gold Canyon Rd., Dayton (APNs 16-151-53 & 16-151-54) PLZ-16-0005**

2. **SIERRA PACIFIC POWER COMPANY dba NV ENERGY – SPECIAL USE PERMIT (for possible action)** – Request for a Special Use Permit for an above ground utility transmission project (a new 120kV electrical energy transmission line not located within a Master Plan-designated transmission corridor), from the point of convergence of the 636/601/638 transmission lines to the new, proposed Mason Substation; located westerly of Weed Heights area, Yerington (APNs 12-111-28, 14-451-06 & 14-401-13) PLZ-16-0012
3. **SIERRA PACIFIC POWER COMPANY dba NV ENERGY – SPECIAL USE PERMIT (for possible action)** – Request for a Special Use Permit for an above ground utility transmission project (a new 120kV electrical energy transmission line not located within a Master Plan-designated transmission corridor), to allow an upgrade of the two existing 25 kV distribution lines to a 120 kV electrical energy transmission line, from the new Mason Substation originating southwesterly from Weed Heights Rd., Yerington (APN 12-111-28) and terminating at the Smith Valley Substation, 280 Lower Colony Rd, Wellington (APN 10-301-25) PLZ-16-0013
4. **SIERRA PACIFIC POWER COMPANY dba NV ENERGY – SPECIAL USE PERMIT (for possible action)** – Request for a Special Use Permit for a utility project (a new 120kV electrical energy substation) to replace two existing electrical energy substations; relocation of an existing telecommunications antenna to the new substation site for remote telemetry for the substation; an increase in the maximum height of a telecommunications antenna from a maximum of 45 feet to 93 feet; and a waiver to the standard telecommunications facilities screening and landscaping requirements; located south of the Anaconda mine, southwesterly from Weed Heights Rd, Yerington (APN 12-111-28) PLZ-16-0014

RECESS TO CONVENE AS THE LYON COUNTY PUBLIC LANDS MANAGEMENT ADVISORY BOARD

5. Public participation
6. Board member comments
7. Future agenda items for discussion and possible action (for possible action)
8. Public participation

ADJOURN TO RECONVENE AS THE LYON COUNTY PLANNING COMMISSION

9. **REVIEW AND DISCUSSION TO REVISE LYON COUNTY CODE BY AMENDING CHAPTER 10.03.01 (G) – (for possible action)** - An Ordinance amending Lyon County Code Title 10 – Land Use Regulations; by amending: Chapter 3 – General Provisions, revising Section 1(G) – Recreational Vehicles; to provide additional conditions under which a Recreational Vehicle can be used for residential purposes; and other matters properly related thereto.

10. STAFF COMMENTS AND COMMISSIONER COMMENTS

PUBLIC PARTICIPATION – Members of the public who wish to address the Planning Commission may approach the podium and speak on matters related to the Lyon County Planning Commission but not on items appearing on the Agenda. Comments are limited to three minutes per person or topic and will not be restricted based on viewpoint. No action may be taken upon a matter raised under this item of the Agenda until the matter itself has been specifically included on an Agenda as an item upon which action may be taken.

ADJOURNMENT

Pursuant to NRS 241.020, I, Kerry Page, Planning Assistant, do hereby certify that I have posted or caused to be posted, a copy of this agenda at the following locations on or before 5:00 p.m., June 3rd, 2016:

Lyon County Courthouse, 31 S. Main St., Yerington, NV; **Lyon County Administrative Complex**, 27 S. Main St., Yerington, NV; **Yerington City Hall**, 102 S. Main St., Yerington, NV; **Yerington Main Street Post Office**, 26 N. Main St., Yerington, NV

Kerry Page

For further information

A complete packet of supporting materials for this agenda is available for public inspection at 27 South Main Street, Yerington, NV. These materials may be reviewed at this location during regular office hours (8:00 a.m. to 5:00 p.m.), Monday through Friday, except legal holidays, or, upon request, a copy can be delivered via electronic mail.

Members of the public requesting Planning Commission meeting supporting materials may contact Kerry Page at kpage@lyon-county.org, or call 775-463-6592.

We are pleased to make reasonable accommodations for those members of the public who need assistance and wish to attend the meeting. If special arrangements are necessary, please notify the Lyon County Community Development Department in writing at 27 South Main Street, Yerington, Nevada 89447 or call 775-463-6592. 24 hours notice is required. T.D.D. services are available through 463-2301 or 463-6620 or 911 (emergency services).

**LYON COUNTY PLANNING COMMISSION MEETING MINUTES
MAY 10, 2016**

The Lyon County Planning Commission met this day with a quorum. The following members were present: Betty Retzer, Harold Ritter, Mike Hardcastle, Rick Jones, Doug Bennett and Audrey Allan. Attending staff were Robert Loveberg, Community Development Director, Robert Pyzel, Planner and Kerry Page, Planning Assistant.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

REVIEW AND ADOPTION OF AGENDA

Audrey Allan made the motion to adopt the agenda as corrected. Rick Jones seconded and the motion passed by a unanimous vote of those members present: (6 ayes; 0 nay; 0 abstentions)

APPROVAL OF THE MINUTES

Rick Jones made the motion to approve the minutes of the April 12, 2016, Planning Commission meeting, as corrected. Audrey Allan abstained as she was absent last meeting. Doug Bennett seconded and the motion passed unanimously - 5 ayes; 0 nay; 1 abstention (Audrey Allan)

MISCELLANEOUS CORRESPONDENCE

Information provided by Mrs. Angela DeFord was given to each of the members and it was stated that Mrs. DeFord will be discussing its content during Public Participation.

PUBLIC PARTICIPATION

Angela DeFord, Stagecoach resident, said she had requested, at last month's meeting, that the ordinance be changed to allow fire victims additional time to rebuild and was told by staff that her concern was not a priority. Mrs. DeFord stated that a neighbor had complained several months ago that waste water was being allowed to run onto the ground from the RV they were forced to live in subsequent to a fire at their home. She said the water was not from their RV even though the inspector had provided details to the contrary. Mrs. DeFord read a prepared statement that was entered into the record by reference and provided to the Planning Commissioners prior to the meeting. The statement requested that victims of natural disasters be allowed additional time to rebuild and that they be relieved of the burden of building permit and other fees, so that those victims do not have to be additionally burdened. Mrs. DeFord approached the commission and gave a copy of an inspection report written by a Building Inspector who was responding to a complaint from a neighbor that the wastewater was running from the RV onto the ground. The inspection report is not a ticket as was stated by Mrs. DeFord, and merely makes findings. Discussion followed. Rob Loveberg said that when the county receives a complaint, the county must address the complaint. It was the inspector's determination that the waste water observed, at the time of the inspection which was February 21, 2016, was coming from the RV. The inspector advised the DeFords that they should have a tank to drain the water into. Shortly thereafter their new home was delivered and set up so the drain was no longer an issue and the RV is gone. Mrs. DeFord talked about the neighborhood dispute that they are

currently involved in. Rob Loveberg explained the various changes that could be made to the existing ordinances that might address the problem that has adversely affected Mrs. DeFord.

It was recommended by Betty Retzer, Planning Commission Chairperson, that an ordinance change be agendized on the next meeting agenda for possible action as discussed.

RECESS TO CONVENE AS THE LYON COUNTY PUBLIC LANDS MANAGEMENT ADVISORY BOARD

1. Public participation

None

2. Discussion and possible action regarding a review of the Final Revised Draft of the Lyon County Public Lands Policy, adopted by the Board of Commissioners at their April 21st regular meeting (for possible action)

Virgil Arellano, Great Basin Strategies, commended the PLMAB for their efforts on the revised public lands policy which was approved by the Board of Commissioners on April 21, 2016. He said he had failed to address the issue of National Parks and Monuments. Mr. Arellano said he presented that additional language to the Board of Commissioners prior to approval of the policy, and they had no problem with that language. The policy was approved inclusive of the additional language. Mr. Arellano detailed the minor corrections that were made to the document prior to approval. Discussion followed on why it was important to address the additional language regarding National Parks and Monuments in the policy.

Harold Ritter motioned that the Public Lands Management Advisory Board has reviewed and agree with the recommended changes and insertions to the Public Lands Policy approved by the Board of Commissioners on April 21, 2016. Mike Hardcastle seconded. Betty Retzer suggested additional wording and discussion followed. Chairman Retzer called for a vote on the motion on the floor. The motion passed by a majority vote: 5 ayes; 1 nay (Doug Bennett); 0 abstentions.

3. Board member comments

None

4. Future agenda items for discussion and possible action (for possible action)

None

5. Public participation

None

ADJOURN TO RECONVENE AS THE LYON COUNTY PLANNING COMMISSION

REGULAR AGENDA ITEMS

6. V & T ROCK /DANIEL COONS /MOUND HOUSE AGGREGATE PIT /V & T MANAGEMENT, LLC – SPECIAL USE PERMIT (for possible action) – Request for a Special Use Permit to allow an aggregate excavation use in the M-1 zoning district, and a use that may produce excessive noise, gaseous byproducts, noxious

odors of a flammable or explosive nature; cause dust that may be offensive to adjoining property owners; and re-establishment of a previously approved sand and gravel pit operation, including a commercial coach for a scale house; all on approximately 171.25 total acres; located at 95 Industrial Parkway, Mound House (APN 16-411-28) PLZ-16-0010

Phil Cowee, V & T Management and property owner, noted a couple of disagreements with the staff report. Mr. Cowee said that the original SUP was approved in 1986 and it has continued since that time, under the same property ownership although the operators of the pit have changed a few times. He is questioning why a new SUP is required at this time when the property ownership has not changed. Mr. Cowee also questioned the need for a paved approach from Thunder Road on to Industrial Parkway as stated in condition #13 as he knows of no other aggregate pit in the county that has similar improvements to its entrance and feel this condition is excessive. Mr. Cowee addressed condition #14 and said that Mr. Coons owns property across the street from this facility which has ADA compliant restrooms available for anyone who needs them.

Rick Jones said that the staff report says the pit has been inactive since 2012. Mr. Cowee responded that the pit is not inactive and has never been inactive. Rob Pyzel, Planner, said that the original SUP was approved under a different operator's name. A change in either the property ownership or operator warrants the new SUP.

Mr. Pyzel addressed the objection to condition #13, stating that this was due to direct correspondence with the Road Manager. He said that the pit's machinery drags materials onto Industrial Parkway which contributes to the deterioration of the roadway. The road manager requested this condition because such improvements remove any materials that are dragged onto the roadway from the pit and will increase the life of Industrial Parkway. Mr. Cowee said that there are other operators that use the same road which also contribute to the roadway's deterioration and feels it is excessive to make them responsible for all of the improvements.

Rob Loveberg said that because this is a new SUP, due to a new operator, the county must look at what exists and what should be done in light of the type of use. The Road Department has recommended the apron which is standard practice even though we may not have required that in the past, and we cannot retroactively impose such conditions upon other users on that road unless there are new applications. In this case, we have a new application therefore we have an opportunity to improve a portion of an increasingly deteriorating roadway.

Rob Pyzel said that the applicant is not proposing to provide restroom facilities onsite though is offering them on an adjacent site. The adjacent site is located across the street and is owned by the operator of the pit. Condition #14 requests that the applicant provide written authorization that the restroom agreement remain in place in the event that the property changes hands, so that the site can rely on continual restroom facilities.

Mr. Cowee said he originally had 3 SUPs all in the same area and is wondering if those SUPs had been recently revoked or if they are still in place. Mr. Pyzel and Mr. Loveberg said that, per Title 10, if the owner name and/or the operator name changes, a new SUP must be applied for.

Mr. Cowee feels there are other ways to accommodate condition #13 regarding road improvements but said he is no expert in that field. Rob Loveberg explained some lesser alternatives and said that alternatives can be presented to and discussed with the Road Manager who must ultimately agree with those improvements. Discussion followed regarding changing the text to allow alternatives after discussion with the Road Manager.

Doug Bennett is concerned with the wording of the agenda item asking if it is pertinent to all SUPs or just this one. Rob Pyzel said it is pertinent to any use that might produce those items. He said they are trying to capture all of the things that require a SUP, as it is stated in county code, within this one SUP. Mr. Bennett asked if we are then forced to ensure that the conditions that we expect the applicant to adhere to will address each and all of those. Mr. Pyzel said that this is an industrial use, located in an industrial area and surrounded by other industrial uses and the conditions are appropriate and typical for any industrial use.

Mr. Cowee said that he never represented that there would not be explosives used at this site and knows of no mining operation that doesn't use them. He said he would agree to the addition of another condition so that they could use explosives if the need arises in the future. Rob Pyzel clarified that he had received email correspondence stating that there would be no explosives used at this site. Discussion followed.

Mr. Bennett said even though the applicant says they don't plan to use explosives, how do they ensure that they don't use explosives if it is not addressed in the conditions. He added that if you are going to be explicit in the agenda item, including every possible scenario, then the conditions should be equally explicit and address all possibilities. After a lengthy discussion Betty Retzer asked if Mr. Bennett feels that if that language had not been included in the agenda item then this discussion would not occur. He agreed. Discussion followed. Ms. Retzer said there have been other applications heard which address similar items and conditions are applied based on the content of that application. She is concerned that the conditions do not address the possibility of blasting and explosives yet it is specifically mentioned in the agenda item. Harold Ritter suggested the addition of condition #17 to address the possibility of blasting. Discussion followed. Staff suggested language for the additional condition that has been used in similar applications. The applicant concurred.

Mr. Cowee said, regarding condition #13 related to road improvements, that he is okay with leaving that condition as is. He said he will work with the county and do whatever needs to be done to the roadway.

Rick Jones made a motion **recommending approval** of the Special Use Permit for V & T Rock, Inc., as agendized and based on the following findings:

- A. The proposed continuation of the use at this specific location is consistent with the general purpose and intent of the applicable zoning district regulations.
- B. The proposed continuation of the use will not be detrimental to the use, peaceful enjoyment, economic value, or development of the surrounding properties or the general neighborhood and is compatible with and preserves the character and integrity of adjacent development and neighborhoods or included improvements or

modifications either on-site or within the public rights-of-way to mitigate development related to adverse impacts such as noise, vibrations, fumes, dust and glare.

- C. The proposed continuation of the use will not be detrimental to the public health, safety convenience and welfare.
- D. The proposed continuation of the use will not result in material damage or prejudice to other properties in the vicinity;

and, subject to the following 16 conditions plus an additional condition added with the recommendation of staff and the concurrence of the applicant:

1. The applicant shall comply with all Lyon County, state and federal rules and regulations as they apply to this special use permit.
2. The applicant shall comply with all applicable fire, building, zoning and improvement code requirements.
3. The applicant shall acquire all Lyon County, state and federal permits necessary for the operation of the aggregate pit and its accessory uses as well as obtain all of the necessary public inspections.
4. The applicant shall meet all traffic control requirements placed on the business enterprise by the Nevada Department of Transportation, the County Engineer, the Lyon County Road Manager, special purpose districts and any other jurisdictions with approval authority.
5. The applicant shall comply with Central Lyon County Fire Protection District requirements. All required fire hydrants are to be installed and fully operating. Minimum required fire flows are required for each fire hydrant as directed by the Fire District. The site's access and circulation in and around any structures, storage areas and parking areas shall comply with the County and Central Lyon County Fire Protection District access and turning radius standards.
6. The applicant shall provide evidence of the approval of the Nevada Department of Environmental Protection for an air quality permit.
7. The applicant shall maintain a Lyon County business license for the use while occupying the site.
8. No other business except that covered under this special use permit will be allowed on the property.
9. The hours of operation shall be limited to 6:00 a.m. to 6:00 p.m.
10. No signage is approved as a part of this Special Use Permit.
11. If outdoor lighting is to be provided, the lighting shall comply with the outdoor lighting requirements in Section 10.20 of the Lyon county Code.
12. The applicant shall comply with the Lyon County 1996 drainage guidelines as amended.
13. The applicant will improve the entrance to the site in the form of a pavement or concrete approach that extends back at least 40-50 feet from the property line to help minimize the tracking of materials onto Industrial Parkway.

- 14. The applicant shall maintain Americans with Disabilities Act (“ADA”) compliant restroom facilities at all times during the operation of the aggregate pit and provide evidence to the satisfaction of the Community Development Director of the provision of such facilities prior to the issuance of the Special Use Permit.
- 15. No change in the terms and conditions of the special use permit, as approved shall be undertaken without first submitting the changes to Lyon County and having them modified in conformance with Lyon County Code.
- 16. The substantial failure to comply with any conditions imposed on the issuance of the special use permit or the operation of a special use permit in a manner that endangers the health, safety or welfare of Lyon County or its residents or the violation of ordinances, regulations or laws in the special use or the non-use of the permit for a year may result in the institution of revocation proceedings.
- 17. Blasting is permitted with the following restrictions:
 - a. No blasting shall occur outside of the hours of 6:00 a.m. to 6:00 p.m., Monday through Friday.
 - b. Prior to any blasting being performed, notification shall be given to the Lyon County Sheriff’s Dispatch center and the Central Lyon County Fire Protection District.

Mike Hardcastle seconded and the motion passed unanimously (6 ayes; 0 nays; 0 abstentions)

STAFF COMMENTS AND COMMISSIONER COMMENTS

Rob Loveberg thanked the commission for the opportunity to serve Lyon County, with them, for the past 10 years and announced that after this Friday he will be retiring. Each of the Planning Commissioners provided parting sentiments to Mr. Loveberg and most wished him well.

Harold Ritter announced that he will be attending the next SLUPAC meeting in Tonopah.

Rick Jones asked if staff had any new information regarding advertising for a new member of the Planning Commission. Mr. Loveberg said that, to his knowledge, it has not yet been advertised and he will check with the County Manager’s office for an update.

PUBLIC PARTICIPATION

Virgil Arellano, Great Basin Strategies, expressed his appreciation to Rob Loveberg for his guidance over the years and wished him well.

Don Smith, Wellington resident, thanked the commission and Mr. Arellano, for their work and effort in producing the Public Lands Policy. He also thanked Mr. Loveberg for his fine efforts, contrary to other’s opinions, in this county.

ADJOURNMENT

At approximately 10:35 A.M. it was unanimously motioned that the meeting be adjourned.

Betty Retzer, Chairperson

ATTEST:

Kerry Page, Planning Assistant



LYON COUNTY
COMMUNITY DEVELOPMENT DEPARTMENT

BUILDING • DEVELOPMENT ENGINEERING • PLANNING

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Staff Report

Lyon County Planning Commission

PLZ-16-0005 Special Use Permit for Mining in the Comstock Historic District and the RR-5 Zoning District - a small (less than 150 tons per day) gold processing/milling facility; excavation (aggregate quarry and associated crushing); cement batch plant and a watchman's quarters

Meeting Date: June 14, 2016

Owner: South Comstock Tailings Disposal Company

Applicant: Art Wilson Company

Area Location: Dayton

Parcel Number: (APN) 016-151-053/-054

Master Plan: Resource

Zoning: RR-5, Fifth Rural Residential District (20 acre minimum lot size)

Case Planners: Rob Pyzel

Community Development Director Approval:

Request:

The applicant is requesting to operate ore processing located within the Comstock Historic District (a small (less than 150 tons per day) gold processing/milling facility); excavation (aggregate quarry and associated crushing); cement batch plant and a watchman's quarters as well as related facilities in the RR-5 zoning district.

Staff Recommendation:

Staff recommends approval of this request based on the Findings and subject to the Conditions of Approval listed below.

RECOMMENDED MOTION:

I move that the Lyon County Planning Commission approve the Special Use Permit for Art Wilson Company/South Comstock Tailings Disposal Company to operate a small (less than 150 tons per day) gold processing/milling facility, including excavation (aggregate quarry and associated crushing), a cement batch plant, and a watchman's quarters, within the Comstock Historic District and the RR-5 Zoning District (Rural Residential-20 acre minimum) Zoning District, all located off of Gold Canyon Road, Dayton (APNs 16-151-53 & 16-151-54), based on the Findings as listed in the staff report and subject to the following Conditions of Approval:

FINDINGS:

- A. The proposed use at the specified location is consistent with the general purpose and intent of the applicable RR-5 zoning district regulations;
- B. The proposed use will not be detrimental to the use, peaceful enjoyment, economic value, or development of surrounding properties or the general neighborhood; and is compatible with and preserves the character and integrity of adjacent development and neighborhoods or includes improvements or modifications either on-site or within the public right-of-way to mitigate development related to adverse impacts such as noise, vibrations, fumes, odors, dust, glare or physical activity;
- C. The proposed use will not result in material damage or prejudice to other property in the vicinity;
- D. The proposed use will not be detrimental to the public health, safety, convenience and welfare;

- E. That the applicant has shown that reasonable steps can be taken to protect land, air, and water resources of both the applicant's property and that of surrounding property owners;
- F. That the scenic, historic, recreational, archeological and agricultural values of the applicant's property and those of the surrounding property owners are protected; and
- G. That, notwithstanding adverse findings on one or more of the above Findings D through F, the proposed mining activity is proposed by adding to the tax base, providing additional employment and otherwise contributing to the economic welfare of Lyon County.

CONDITIONS OF APPROVAL:

1. The special use permit application information, specifically including but not limited to the Project Description and facilities plan dated April 25, 2016 and all other supporting documentation contained in the application and supplemental materials shall be incorporated as a part of the Special Use Permit. All activities associated with the Special Use Permit shall conform to the activities described therein.
2. The applicant shall continue to provide information to and coordinate with Lyon County and the Central Lyon County Fire Protection District on a regular basis (i.e., as necessary, but at a minimum annually) to: facilitate the provision of services; identify potential community impact changes; monitor operational activities, impacts and regulatory compliance; and provide adequate lead time for any changes to the proposed operations that would increase impacts and service needs.
3. The applicant shall submit an annual status report, at least 45 days prior to the anniversary date of the Board of Commissioner's approval, detailing the operations and activities of the past year and those proposed for the next year; compliance with the special use permit conditions of approval; status and compliance with local, state and federal permitting requirements; status of all bonds and financial security for permits, reclamation, etc.; proposed workforce changes; and any other information deemed to be pertinent to the special use permit by the applicant.
4. No change in the use, terms and conditions of this Special Use Permit, as approved, shall be undertaken without first submitting the changes to Lyon County Community Development Department and, if deemed necessary, having them modified through an amendment to this Special Use Permit with the associated public hearing process.
5. The applicant shall submit a traffic analysis, including any necessary mitigation measures for the Highway 50/Gold Canyon Road intersection and any affected County Roads, to be reviewed and approved by the County Engineer, Community Development Director and Nevada Department of Transportation ("NDOT"). The applicant shall construct any road and/or access improvements required to the satisfaction of the County Engineer, Community Development Director and/or NDOT prior to the issuance of a special use permit and commencement of operations on the subject site.
6. The applicant shall be required to review and update the traffic analysis on an annual basis, and provide a status report and any plan revision to Lyon County for annual review and approval. Significant changes in traffic volume or character shall require the implementation of mitigation measures deemed appropriate by the County Engineer and the Community Development Director.
7. The applicant shall undertake improvements and mitigation activities to reduce the impact of increased traffic attributable to the proposed project between the northern boundary of the project parcel to the intersection of Gold Canyon Road and Highway 50 to comply with applicable County road standards to the satisfaction of the Superintendent of the County Road Division.
8. Prior to the issuance of the special use permit or building permits or initiation of proposed construction and operations activities, the applicant shall enter into a road maintenance and mitigation agreement with Lyon County for maintenance of Gold Canyon Road between the northern boundary of the project parcel to the intersection of Gold Canyon Road and Highway 50 to the satisfaction of the Superintendent of the County Road Division.

9. To improve the Central Lyon County Fire Protection District's capabilities to respond to incidents at the project site, the applicant shall provide for the training and equipment necessary and directly related to the proposed mining and processing activities. Such training and equipment shall be limited to: technical rescue involving industrial equipment and large trucks and hazardous materials response for incidents involving explosives (not to include EOD activities or equipment). The specific training and equipment requirements shall be determined through a review of more detailed information and plans submitted by the applicant, development of the project's emergency operations plan and joint discussions involving the applicant, the Central Lyon County Fire Protection District, the Lyon County Office of Emergency Management and the Lyon County Community Development Department. If the applicant and the Central Lyon County Fire Protection District cannot reach an agreement regarding the applicant's responsibility and financial obligation, the matter shall be submitted to the Board of Commissioners for clarification and resolution.
10. Prior to the commencement of mining and processing operations, the applicant shall prepare a Safety and Emergency Plan for the project site and activities. The plan will be developed with participation of and review by the Central Lyon County Fire Protection District, Lyon County Sheriff's Department, Lyon County Office of Emergency Management, Lyon County Local Emergency Planning Committee, and Lyon County Community Development Department.
11. The applicant shall comply with all State of Nevada, Lyon County, federal and special district rules and regulations as they apply to this special use permit.
12. The applicant shall procure and/or maintain a Lyon County business license.
13. The applicant will be required to secure a mobile home set-up permit through the Building Department prior to an issuance of occupancy for the mobile home as a watchman's quarters.
14. No signage other than public safety and traffic signage are allowed as part of this Special Use Permit. The applicant shall ensure that the appropriate public safety and traffic signs and barriers are installed at appropriate locations to provide for the public's safety and site security.
15. All site and building lighting shall comply with the regulations in Lyon County Code Section 10.20.
16. The applicant shall comply with all applicable fire and building code requirements, including, but not limited to, requirements for provision of sufficient emergency vehicle access, adequate fire flows, and proper storage of fuels, flammable substances and explosives to the satisfaction of the Central Lyon County Fire Protection District and Lyon County Building Department.
17. The applicant shall acquire all federal, State of Nevada, Lyon County and special purpose district permits (e.g., Comstock Historic Commission) and obtain all necessary public inspections.
18. The Community Development Department may require the applicant to make improvements to mitigate traffic, noise or other adverse impacts identified after the issuance of the Special Use Permit. The applicant shall obtain Community Development Department approval of any such improvements prior to the issuance of any building permits, if necessary, and/or construction.
19. All of the requirements placed on the special use permit by the County Building Official, Central Lyon County Fire Protection District, Community Development Director, and other agencies with jurisdiction shall be met prior to the applicant commencing the construction and/or operations phase of this project as appropriate.
20. The substantial failure to comply with any conditions imposed on the issuance of a special use permit or the operation of a special use in a manner that endangers the health, safety or welfare of Lyon County or its residents or the violation of ordinances, regulations or laws in the special use or the non-use of the permit for a year may result in the institution of revocation proceedings.
21. The special use permit is subject to annual review by Lyon County. The applicant shall submit documentation of compliance with the federal and State permits as a part of the annual review.

Location:

The plant will be located on two parcels (APN 016-151-053 & -054) located on Gold Canyon Road north of the intersection of Gold Canyon Road and Daney Canyon Road.

Size:

The subject site consists of two parcels with a combined size of approximately 81.36 acres.

Background:

The subject site contains historic tailings on the eastern portion of the two parcels that appear to have been generated upstream from the subject site, utility lines that cross the properties and a large graded pad upon which vehicles and equipment currently being stored on the southeast quarter of APN 016-151-054 and northeast quarter of APN 016-151-053. Staff would note that Title 10 of the Lyon County Code does not include outdoor storage as a permitted or conditional use in the RR-1/RR-2/RR-3/RR-4 or RR-5 zoning districts; outdoor storage is allowed in the M-1 zoning district. Staff believes that the outdoor storage of equipment and vehicles associated with the proposed uses under review with this Special Use Permit may be acceptable if fenced and maintained in an orderly manner to the satisfaction of the Community Development Department. The remainder of the property is otherwise vacant. Gold Canyon Road bisects the site as the access road connects Highway 50 to Silver City and provides access to several single family residences located northeast of the subject site.

Property Information:

The applicant is proposing to utilize two 40+ acre parcels (APNs 16-151-53 & 16-151-54). The project area is located approximately 3,700 feet due north of Highway 50.

The two parcels are zoned RR-5 (Rural Residential – 20 acre minimum) which allows these types of uses subject to approval of a Special Use Permit.

The proposed site is surrounded by South Comstock Tailings Disposal to the north and south, BLM-managed public land to the east, and Comstock Mining Inc. to the west. The closest residence is approximately 1,071 feet to the northeast of the project site and located downslope from the project site adjacent to the drainage way in Gold Canyon. State Route 341 (“SR 341”) is located due west approximately 3,708 feet, but is screened by an intervening ridgeline.

Surrounding Uses:

	<i>Master Plan</i>	<i>Zoning</i>	<i>Current Land Use</i>
<i>Northerly</i>	<i>Resource</i>	<i>RR-5</i>	<i>Historic tailings, vacant/undeveloped</i>
<i>Easterly</i>	<i>Open Space</i>	<i>RR-5</i>	<i>Historic tailings, aggregate operation</i>
<i>Southerly</i>	<i>Resource</i>	<i>RR-5</i>	<i>Vacant, underground utilities, intersection of Gold Canyon Rd/Daney Canyon Rd.</i>
<i>Westerly</i>	<i>Resource</i>	<i>RR-5</i>	<i>Vacant/overhead utilities</i>

Staff Review and Comments:

The current application proposes to operate a small (less than 150 tons per day) gold processing/milling facility located within the Comstock Historic District. In addition the applicant proposes to operate an aggregate quarry and associated crushing operation on-site. And finally, the applicant proposes to utilize the residual solids from the milling operation along with the aggregate from the quarrying operation to operate a cement batch plant on-site along with related facilities for the three different operations in the RR-5 zoning district.

Processing/milling facility:

The applicant proposes to process higher grade ores from his own mining operations in the area as well as others. The ore is to be delivered dump trucks (ranging in size up to 3-trailer belly dump trucks) to a designated load-out point. At the load-out point, the materials will be loaded onto a conveyor which would take the material to a primary cone type crusher. The primary cone type crusher will pulverize the ore in a wet ball mill using recycled process solution and separated by particle size if necessary. From the classifier, the material moves to a primary thickener/concentrator where the gold- and silver-bearing overflow would be sent to the Merrill-Crowe processing system and the underflow directed to four separate agitators. From the agitators, the material moves through a series of thickeners/concentrators which will improve the net precious metal recovery. The overflow from each of the thickeners/concentrators will be re-directed back into the Merrill-Crowe processing system to extract additional precious metal recovery while the underflow from the final thickener/concentrator is sent to a filter press which will direct the liquid will be extracted for re-use in the milling processes and the solids sent off as tailings to the concrete batch plant to be used as an aggregate for cement products.

The Merrill-Crowe process is a separation technique for removing gold from a cyanide solution by filtration and counter current decantation. The pregnant solution will be sent into a vacuum tank which removes oxygen and allows the precipitation of precious metals from the solution through zinc replacement (i.e., zinc dust). The zinc replacement is followed by clarification and a series of filters from which the concentrate is sent to a furnace (retort) to produce the final product – a dore bar which consists of rough gold (typically approximately 80% pure gold) which is sent off for further refining into golds of varying forms and purity. All of the milling will take place inside of the mill building.

The applicant anticipates approximately 15 full-time employees working at the processing/milling facility with additional employees required for the aggregate quarrying, marketing and other activities on-site. The applicant anticipates organizing the facility as a business entity “Wilson Processing, LLC” for the processing/milling activities and as the eventual permit holder business name with the Nevada Department of Environmental Protection and the other state and federal regulatory agencies.

The applicant believes that the opening of the Gold Canyon Mill would provide an option for small-scale mining operations to have their ore processed locally and open up opportunities for mining ventures that were once thought unprofitable due to processing/milling costs.

Aggregate Quarrying:

The applicant anticipates a small scale quarry operation to handle the on-site uses and local off-site uses associated with the increase in construction in the region. The primary aggregate source will be an andesite deposit located on-site in the southwestern portion of the subject site. The applicant estimates production of the aggregate materials to peak at 100,000 cubic yards per year and the anticipated traffic generated by the quarrying activities to reach 10 semi-truck trailers or a combination of semi-trucks and various small trucks arriving and leaving the site to deliver the aggregate materials to local end users. The materials produced with the andesite material is expected to be road and construction aggregate as well as building and dimensional stone. In addition, some of the materials will aid in the construction of the processing/milling site.

The quarrying operation will use a mobile crusher within the designated quarrying pit area. The aggregate will be screened and stockpiled around the outer perimeter of the quarrying area. The stockpiled materials will then be loaded into delivery trucks in the same approximate area as the drop-off area for the Gold Canyon Mill.

The aggregate quarrying will include (as required by the product type) crushing, washing and screening of the materials. The different material types will also be stockpiled into segregated locations within the pit area to be loaded into the semi-trucks' dump trailers and smaller trucks for transportation to the individual construction sites.

As a part of the aggregate quarrying use, the applicant proposes to locate a concrete batch plant on-site. The concrete batch plant will use residual solids from the processing/milling operations at the Gold Canyon Mill along with aggregate materials quarried on-site as materials to manufacture precast concrete products such as landscaping blocks, road safety barriers and other precast concrete products on-site.

The applicant anticipates the quarrying operation to utilize 5 full-time employees.

Treatment of Historic Tailings:

Under the existing environmental regulations, since there is no business currently on-site, the State, per the applicant materials, "...has few options to compel treatment or stabilization of these historic tailings." As a part of the project, the applicant also proposes to address water quality issues caused by the infiltration of meteoric water (water derived from rain and snow melt) and stormwater run-on into the historic tailings on the property. The application proposes to cover 4.1 acres of historic tailings located in the eastern portion of APN 16-151-54 and create a 1.1 acre sedimentation pond within the southeast portion of APN 16-151-53 in an attempt to capture all runoff from the subject site and adjacent impacted area which could potentially allow for some additional material recovery and treatment.

As noted above, the site is bisected by Gold Canyon Road. Gold Canyon Road is a 50-foot access easement through the subject site that connects Hwy 50 to Silver City. The easement was granted by the Bureau of Land Management ("BLM") in October 1994 (Serial #N-55779 per Recorder's Document #227061). As such, this easement has to be maintained in order to provide public access through the site to several single family residences north of the project site. In order to maintain access, the applicant proposes to place the uses on the site on both sides of Gold Canyon Road as well as fenced the areas where business operations need to be segregated from the general public to address both public safety as well as the applicant's building and equipment security.

On the west side of Gold Canyon Road, the facility will include:

- A scale with an associated mobile home to be used as a scale house and watchman's quarters for the mining operation;
- Fencing surrounding the developed area of the aggregate pit and the mill building;
- A parking area for the aggregate pit employees;
- The aggregate quarry area (approximately 2 acres) where andesite will be excavated using heavy equipment (loaders, excavators and bulldozers);
- A mobile aggregate crusher;
- Stockpile area for aggregate material;
- A rear dump and loader conveyor feed for the crusher and screening equipment;
- The belly dump truck loadout area;
- Stockpile area for ore;
- A metal removal magnet;
- A loading conveyor with impact beds and a 24" tunnel grizzly;
- The feed conveyor into the mill building;
- The parking area for mill employees; and
- The mill building.

On the east side of Gold Canyon Road, the facility will include:

- The concrete batch plant;
- An area for concrete precast product storage;
- The workshop building; and
- A fenced area for general yard and equipment storage area

The applicant anticipates a maximum total of 20 employees will be required to operate the mill and the aggregate pit. Separate parking areas are designated on the site plan for the mill and aggregate pit employees.

The proposed hours of operation are from 6:00 a.m. to 6:00 p.m. year-round.

Land Use:

The 2010 Comprehensive Master Plan has the land use designation for the site as Resource. The subject site is currently zoned RR-5 (Rural Residential- 20 acre minimum lot size). The Resource land use designation for this site in the 2010 Comprehensive Master Plan comports with the current zoning designation of RR-5. A mining operation and aggregate pit with an associated concrete batch plant are appropriate uses within an area designated as Resource subject to review and approval of a Special Use Permit to address any potential impacts to surrounding properties.

Lyon County Code 10.03.04.C states that a Special Use Permit is required for "...any mining, including extraction and/or processing of rock, sand, gravel, asphalt and like earth products including topsoil stripping" in the RR-3, RR-4 and RR-5 Rural Residential zoning Districts.

Lyon County Code ("LCC") 10.10.01 states: *"In addition to all other requirements, mining activities in Lyon County that are in the Comstock Historic District, as established by the Comstock Historic Commission pursuant to NRS Chapter 384 shall, as a part of their Special Use Permit process, comply with the requirements as set forth in this Chapter."*

Section 10.10.02(B) states that in the processing of a Special Use Permit for mining within the Comstock Historic District, the County will consider the following factors:

1. The effect of the proposed operation on drainage and water supply;
2. The possibility of soil erosion as a result of the proposed operation;
3. The potential resultant degrees and effect of dust and noise from the proposed operation;
4. The potential resultant impact upon tourism, historic, archeological and cultural resources, recreational areas, agriculture and public health and safety;
5. The practical possibility of reclamation of the site and the adequacy of proposed mitigation of impacts; and
6. The effect of the proposed operation on natural beauty, character, tax base, economy, adopted general plan, land values, and land use in the area.

Drainage and Water Supply:

The project proposes to include three features that will help address some of the existing issues regarding drainage:

- Actively maintain all existing stormwater diversions both around and into the small pond found on the historic tailings in the northeast corner of the project site;
- Place an impermeable liner capped with soil over 4.1 acres of the historic tailings located in the northeast corner of the project site to prevent meteoric water infiltration; and
- Create a sedimentation pond at the southeast corner of the project site to capture all runoff from the project site and potentially allow for some material recovery and treatment.
- Development of the ore processing operations will likely affect drainage within and/or through the subject properties.

Additionally, road and/or driveway construction to improve access must include any necessary drainage improvements. The project is required to meet the drainage guidelines adopted by Lyon County.

In regard to water, the application materials state that the applicant has Permit No. 85376, issued December 16, 2015 for waters from an underground source within the Dayton Valley (Basin No. 103) that was previously associated with the Adams Claim gypsum mine in Mound House. The application materials indicate that this permit allows appropriation for beneficial use of 70.73 acre-feet annually ("AFA") or approximately 0.58 cubic feet per second ("cfs") for Mining, Milling and Domestic Purposes within the east ½ of Section 21, Township 16 North, Range 21 East. The application materials indicate that the well has been inspected and found in good working order, pump-tested and found to sustainably produce approximately 250 gallons per minute (or

0.56 cfs). The application materials indicate that the remaining duty potentially produced from a secondary Point of Diversion associated with this right could also be located within the commonly owned parcels of the applicant. The application states that the ore process to be used will recycle 85% of the process water in the operation of the mill; and that the milling process being used would result in estimated 0.8 AFA mill production and that with a "...reasonable allowance of about 2 AFA for domestic purposes, and allowing for potential future increases in production rate, the 70.73 AFA permitted is more than sufficient."

Soil Erosion:

The application states that soil erosion will be managed through controlling run-on and run-off into and from the site as discussed in the drainage improvements. Additionally, the applicant proposes to concurrently re-vegetate the project site as operations permit.

Dust and Noise:

Per the application materials, dust control is outlined in the mitigation plan submitted with the Special Use permit application materials. The mitigation plan submitted notes that the State Bureau of Air Pollution Control ("NBAPC") regulates fugitive dust from both vehicular traffic and process equipment. The applicant will manage dust from traffic associated with the project activities by posting and limiting vehicle speeds on the dirt and gravel roadway along with roadway watering or chemical palliative/suppressant. Additionally water trucks will be used to water disturbed lands as well as to pre-water lands about to be disturbed. Project equipment will comply with the air quality permit with the use of specialized emission control technology. In addition an equipment operator will be required to obtain and hold an opacity certification to comply with the NBAPC air quality permit standards. Controls may consist of water sprays, dust collectors, or enclosures on typical related material handling equipment.

The project will be a source of noise. The increased activities will create noise that is not currently experienced in the area and not typical for a Rural Residential area. The increase in traffic, particularly truck traffic, will also cause an increase in the areas noise levels. However, the noise from the milling operation will be somewhat mitigated by the fact that the equipment is mostly inside of the mill building. The crushing and screening of the andesite for aggregate will be conducted with a mobile aggregate crusher located at the southwest portion of the project site. Noise created by the crushing of the aggregate as well as excavation heavy equipment, semi-trucks and belly dump trucks will occur during the normal business hours. However, the noise associated with the aggregate operation will be localized to the southwestern portion of the project site. While the closest residence to the project site is located approximately 1,105 feet from the northeast of the northeast corner of the project boundary, the topography of the project site aids in buffering the noise. The nearby residences to the east are located in the Gold Canyon drainage and sit lower than the project site. To the west, the potential noise impacts are mitigated by a hill that acts as a screen to dampen the noise impacts of the project.

Impacts to Tourism, Historic, Archeological and Cultural Resources, Recreational Areas, Agriculture and Public Health and Safety:

The project site is located away from any tourist attractions and has no features that would attract the general public other than Gold Canyon Road.

The project site has no historic structures nor does it encompass any known historic, archeological or cultural resource nor are there any known features immediately adjacent to the project site.

There are no designated or formal recreational areas near the project site. Recreation in the area typically consists of shooting firearms and OHV utilizing jeep trails and local accesses.

There is no agriculture currently taking place in the area of the project site.

Impacts to public health and safety would primarily be the use of Gold Canyon Road through the site. The application includes security fencing surrounding the areas of operation to segregate the functions of the project from the general public traveling on Gold Canyon Road while the business is in operation. Additionally public safety traffic signs (25 mph speed limit signs) will be posted and maintained by the applicant. Engineering controls such as berms and fencing will be used to keep the general public away from the active exploration and mining/milling operations. Any hazardous materials will be contained within the mill building and will be

stored and maintained with all appropriate containment and secondary containment measures. On-site employees will also keep the general public safe and away from operations that are hazardous. All trash will be contained and hauled to a proper approved disposal facility.

Reclamation of the Site and Adequacy of Proposed Mitigation of Impacts:

The application materials include a reclamation plan that includes:

- A schedule that says the reclamation would begin once individual components of the business operation are no longer required for the operations or when the facilities are decommissioned and site closure begins. Concurrent reclamation including the removal of facilities, contouring, growth media application and revegetation activities may occur at any time during current mining operations.
- The quarry area will be designed to ensure stability during operation and closure activities, to ensure structural competence to withstand normal geologic and climatic conditions without significant failure that threatens public safety or the environment. Monitoring of the reclamation would occur on a regular basis during operations to identify any evident stability concerns. Berms and boulders would be placed to prevent motorized vehicles from crossing the area. Signs will be posted to warn of the hazards present would be posted.
- Roads and accesses (except Gold Canyon Road or other roads that may have a beneficial use to Lyon County) would be regraded/recontoured covered with growth media and revegetated to blend into the surrounding landscape.
- The mobile mining equipment will be removed once quarrying operations have concluded. On-site buildings and facilities with potential future use would be retained.
- All safety berms, fencing, and signs would be monitored annually and repairs made as required.
- In the event of unfavorable economic conditions, the mining/milling and aggregate quarrying operations may decrease in activity level. However active management and maintenance of process components and quarry security will continue.
- In the event of temporary cessation of mining/milling operations, the applicant would prepare and submit to the appropriate State agencies a Temporary Closure Plan.
- The goal of the reclamation plan is to restore the post-mining landscape to a point that is visually and functionally compatible with the surrounding topography.

Effect on Natural Beauty, Character, Tax Base, Economy, Adopted General Plan (Master Plan), Land Values, and Land Use in the Area:

The proposed uses would create the following effects in the area:

- Natural Beauty – The site is well screened from both Highway 59 and State Route 341 and the existing residential neighbors to the northeast. Once reclamation is complete, the site will be restore to blend into the surrounding landscape and reflect eh same natural beauty that exists today.
- Tax Base and Economy – While in operation, the increased valuation of the property given the proposed improvements should increase the property taxes paid to the County. In addition, additional employment should stimulate an increase in sales that could have a positive impact to the County.
- Master Plan – As noted elsewhere in the staff report, the land use designation for the project site is Resource. The proposed use is compatible with that land use designation.
- Land Values – As noted above, the assessed valuation would increase on the project site, which should increase the value of the surrounding properties as well.
- Land Use – The project site is currently vacant except for historic tailings. The RR-5 zoning does allow for these types of uses proposed by the applicant subject to review and approval of a Special Use Permit. The Special Use Permit is used for land uses that are typically suitable for the zoning district, but may require additional review and possibly conditions to address potential negative impacts to surrounding properties. Staff believes that these uses would be suitable given the proposed development application, the distance from neighboring residential uses and the topography of the area.

Lyon County Code Section 10.10.02(D) allows the Commission to require the following additional conditions for mining operations in the Comstock Historic District:

- Dust control measures;
- Surface and subsurface water quality control measures;
- Site reclamation and mitigation plans;
- Limits on the hours of operation;
- Periodic review of rehearing;
- Public protection from excavations, tunnels or shafts either during any interim closure of a surface mining operation or upon permanent termination of such activities;
- Protection and/or mitigation measures for agricultural, scenic, historic, archeological or recreational values of property of the applicant or adjoining properties; and
- Methods of disposal of mine wastes or storage of one or potential ore reserves.

With the exception of the hours of operation, the review of the applicant's reclamation plan covers each of the items listed above. As noted above, the proposed hours of operation are from 6:00 a.m. to 6:00 p.m. year-round. The Planning Commission has specified operating hours of 7:00 a.m. to 5:00 p.m. on weekdays in the approval of a recent aggregate pit special use permit as well as 6:00 a.m. to 6:00 p.m. on weekdays for yet another aggregate pit due to its location in an industrial area in Mound House. While not located in an industrial area, the project site is located more than 1,000 feet away from surrounding residences and has surrounding topography that provides an additional measure of buffering of noise to the separation distance.

Section 10.09.02(G) of the Lyon County Code allows for the use of a mobile home as a watchman's quarters for mining sites subject to review and approval of a Special Use Permit. Additionally, a commercial coach is defined in the Lyon County Code as: "A structure which is:

- A. Built on a permanent chassis;
- B. Designed to be used with or without a permanent foundation as a dwelling when connected to utilities;
- C. Transportable in one or more sections.

This term includes the design of the body and frame and the plumbing, heating, air conditioning and electrical systems of the mobile home. "Mobile home" does not include a travel trailer, commercial coach, manufactured home or any structure built in compliance with the requirements of Nevada Revised Statutes chapter 461."

Staff recommends a Condition of Approval that the applicant will be required to secure a mobile home set-up permit through the Building Department prior to an issuance of occupancy for the mobile home.

The proposed milling and processing activities require State permits and inspections. Staff does not believe that the County currently has the expertise or resources to regulate those aspects of the proposed project that are regulated by State and/or federal agencies. However, the County can require the applicant to submit documentation of compliance with the State and/or federal agencies with regulations as a part of the annual review of this Special Use Permit.

The requested special use permit pertains only to the proposed processing activities carried out on private land. If the requested special use permit is approved, any expansion of the use, future mining or other associated use of the properties will require a modification of the special use permit.

Public Facilities and Services:

The proposed operations will have significant impacts on county facilities and services, as well as on the character of the area in the vicinity of the mine.

The areas of primary concern include:

- Increased traffic volumes
- Impacts on the county road network
- Capacity of emergency service providers

Traffic Volumes

Primary access is by traveling north on Gold Canyon Road for approximately 6,360 feet from the Gold Canyon Road/Highway 50 intersection. Gold Canyon Road is a non-County maintained 20-foot wide gravel access easement from Hwy 50 to Old Dayton Toll Road. Gold Canyon Road is classified as a minor road on the Lyon County Road Inventory.

There will be no secondary access that would address the traffic generated by the proposed uses.

The applicant has submitted a traffic analysis identifying effects of the added vehicle volume on the county's road system. The anticipated traffic generated by the proposed uses would be 60 average daily trips ("ADT") with a 19 trips occurring during the AM peak hours and 19 trips occurring during the PM peak hours. The increase of the number of trips particularly the semi-trailer trucks may affect the performance of roadway structures within Gold Canyon Road. As such, County staff recommends that the applicant be required to prepare an annual review and update of the traffic analysis, to be reviewed and approved by the Lyon County Road Manager and Community Development Director, and provide a status report and any plan revision to Lyon County for annual review. Significant changes in traffic volume or character will require modification to the traffic analysis and may require additional mitigation measures should the project be more successful than anticipated. The traffic analysis submitted discusses the improvements necessary at the Gold Canyon Road intersection given the amount of traffic from both the highway and the access road, the signed speed limit at the intersection, the sight distance and the change in topography as the highway comes west from Dayton into the SR 341/Hwy 50 intersection. The suggested improvements include any signage, striping or traffic control improvements required by Lyon County and NDOT, but does not recommend any specifics. The traffic analysis did recommend improving the intersection of Gold Canyon Road/Hwy 50 to include an exclusive right turn lane at the east approach containing a minimum of 465 feet of storage/deceleration length with a 20:1 taper.

Impacts on the County Road Network:

The applicant will be significantly increasing the passenger and truck traffic on Gold Canyon Road. Mitigation of the dust generated by the increased traffic and the wear on the road must be implemented. Lyon County does not have the resources to, nor should the taxpayers be financially responsible for, the increased road maintenance and dust suppression required for the proposed project.

For that reason, County staff recommends the applicant be required to enter into a road maintenance and mitigation agreement with Lyon County for maintenance of the Gold Canyon Road access prior to issuance of a building/grading permit for the project.

County staff recommends that the applicant improve Gold Canyon Road from the northern border of the subject property to the Highway 50/Gold Canyon Road intersection to county road standards prior to any development proposed under the requested Special Use Permit is allowed to start, and cooperate through a road maintenance agreement in the maintenance of those public road segments between the subject property and Highway 50 for repairs and maintenance necessitated by the applicant's use beyond normal wear and tear.

Capacity of Emergency Service Providers:

Fire, rescue and emergency medical services will be provided by the Central Lyon County Fire Protection District (CLCFPD). The applicant needs to develop an emergency plan for the project in cooperation with the CLCFPD, Lyon County Emergency Management, and the Lyon County Sheriff's Department to ensure that the applicant and all emergency response agencies will be able to provide a coordinated response to emergencies. Additionally, the applicant and the emergency response agencies should develop the training necessary to provide for adequate emergency response to the project.

Exterior Lighting

Building security and site lighting are proposed as a part of the operation.

Lyon County Code Chapter 10.20, Outdoor Lighting Control, sets forth the requirements that must be followed for outdoor lighting.

Flood Hazard

The project site lies outside of any special flood hazard zones.

Water Supply and, Wastewater Treatment

The applicant proposes to provide on-site sewage disposal system (OSDS) for its employees. An OSDS must be approved by the Nevada Division of Environmental Protection prior to the issuance of a building permit. Appropriate sanitary facilities in conformance with building codes and State regulations must be provided. The Nevada Division of Environmental Protection is the reviewing and approving agency for commercial sanitary facilities.

Water will be supplied by a well located on a parcel under the ownership of the applicant located immediately south of the project parcel. As noted above in the staff report, the application materials included the water rights documentation including the Nevada Division of Water Resources ("NDWR") approval of the Place of Use and Point of Diversion.

Aggregate excavation operations are exempt from state mining regulations in regard to reclamation and from Nevada Department of Environmental Protection ("NDEP") regulations requiring a Water Pollution Control Permit ("WPCP") unless the operation includes a recovery circuit for retrieving metallic minerals in which case a WPCP is required for the recovery circuit only. However, the aggregate excavation operation such as proposed by the applicant is required to obtain and maintain an air quality permit from NDEP.

Considerations and Requirements for Granting Approval:

When considering applications for a special use permit, the Commission should evaluate the impact of the special use on and its compatibility with surrounding properties and neighborhoods to ensure the appropriateness of the use at a particular location.

Chapter 10.12.01(B) of the Lyon County Code stipulates that:

The Commission shall, at the public hearing, hear and consider such testimony, written communications or documents as presented relative to the permit application. Said Commission, at the conclusion of the hearing, shall recommend: issuance, conditional issuance or denial of the permit or the modified permit.

Alternative Findings and Motions:

The alternative motions suggested below are offered for Planning Commission consideration.

Alternative for Continuance:

If the Planning Commission determines that additional information, discussion and public review are necessary for a more thorough review of the proposed special use permit; the Planning Commission should make appropriate findings and move to **continue** the Public Hearing with a specific time period for the applicant to provide additional specific information necessary for the analysis of the request. The Planning Commission may wish to consider a motion similar to the following:

The Planning Commission finds that:

- A. Additional information, discussion and public review are necessary for a more thorough review of the proposed special use permit.

Based on the above findings and with the applicant's concurrence, the Lyon County Planning Commission continues the request for the special use permit for Art Wilson Company/South Comstock Tailings Disposal Company to operate a small (less than 150 tons per day) gold processing/milling facility, including excavation (aggregate quarry and associated crushing), a cement batch plant, and a watchman's quarters, within the Comstock Historic District and the RR-5 Zoning District (Rural Residential-20 acre minimum) Zoning District, all located off of Gold Canyon Road, Dayton (APNs 16-151-53 & 16-151-54) (PLZ-16-0005) for __ days.

Alternative for Denial:

If the Commission determines that the request for a Special Use Permit should be **denied**, the Commission must make findings supporting a denial. The Planning Commission may wish to consider a motion similar to the following:

The Lyon County Planning Commission finds that:

- A. The proposed use will be detrimental to the use, peaceful enjoyment, economic value, or development of surrounding properties or the general neighborhood; and is incompatible with and detrimental to the character and integrity of adjacent development and neighborhoods, nor has the applicant proposed mitigation of adverse impacts such as noise, vibrations, fumes, odors, dust, glare or physical activity related to the proposed project.
- B. The proposed use will be detrimental to the public health, safety, convenience and welfare; and
- C. The proposed use will result in material damage or prejudice to other property in the vicinity.

Based on the aforementioned findings, the Lyon County Planning Commission recommends denial of the special use permit for Art Wilson Company/South Comstock Tailings Disposal Company to operate a small (less than 150 tons per day) gold processing/milling facility, including excavation (aggregate quarry and associated crushing), a cement batch plant, and a watchman's quarters, within the Comstock Historic District and the RR-5 Zoning District (Rural Residential-20 acre minimum) Zoning District, all located off of Gold Canyon Road, Dayton (APNs 16-151-53 & 16-151-54) (PLZ-16-0005).



ART WILSON : GOLD CANYON MILL AND AGGREGATE QUARRY

SPECIAL USE PERMIT APPLICATION

DETAILED DESCRIPTION AND NARRATIVE: MILL

The Gold Canyon Mill will be a small scale gold processing plant intended as both a service facility for small miners and eventually as a custom mill for ore produced by Art Wilson from patented and unpatented mines and prospects in the Silver City to Dayton areas.

The Mill will process high-grade, typically underground- or small-deposit-produced ores from various clients within the states of Nevada and California, the Comstock Lode area, and the surrounding western US. Due to the variety of precious metal ores which may be received, the historically proven and flexible Crown Point Mill was identified as an analogue; the Crown Point was operated profitably (at \$35 per ounce gold prices...) from 1935 to 1942 under a similar business model, treating ores from the Crown Point and Yellow Jacket claims, primarily.

Numerous attempts to resume high-grade ore processing in the Comstock area have failed, possibly due to the difficulty in restarting historic facilities in compliance with modern environmental regulations, and due to undesired proximity to residential and commercial uses. Art Wilson believes that the desire for mining remains in the residents of the Comstock area, as reflected by continuous mine claim and exploration activity in the area since the cessation of major underground mining activity around 1918.

The proposed Gold Canyon Mill differs from the socially challenging Comstock Mining Inc heap leach processing facility near American Flats in several ways. Most importantly, it will process lower-volume, high grade ores which do not require the large surface area and associated hazards and public nuisance of an open pit mine operation. Additionally, the mill is proposed away from residential development and is well screened from public view by natural landforms. Finally, the mill and its associated facilities are explicitly planned from the perspective of stabilizing historic, and potentially environmentally damaging mill tailings. Because of the technical and economic viability of using "dry" tailings (about 20% water content which is readily achievable by conventional filter press technology) as an aggregate source for precast concrete products, Art Wilson has planned the mill as a nearly zero-waste facility. The potential for producing useful and attractive landscaping block, road safety barriers, and other precast products which could be marketed as an environmentally friendly and historically compelling product are considerable.

At the Gold Canyon Mill, ore will be dropped off, by up to 3-trailer belly dump trucks, or by other loadout methods at a load out point, then conveyed to a primary cone type crusher. From the primary crusher ore is pulverized in a wet ball mill, using recycled process solution, then classified by particle size if necessary. From the classifier the material moves to a primary thickener/concentrator, gold- and silver-bearing overflow from which is sent to the Merrill-Crowe processing system, while underflow will proceed to four separate agitators. From the agitators material is moved through a series of thickeners/concentrators which improve the net precious

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metal recovery. Overflow from each thickener is sent to the Merrill-Crowe processing system. The underflow from the final thickener is sent to a filter press, where liquid is extracted for re-use throughout the whole circuit, and solids are sent off as tailings to the cement batch plant to be used as an aggregate for cement products.

In the Merrill-Crowe extraction circuit, all pregnant solution is sent to a vacuum tank which removes oxygen allowing the precipitation of gold and silver from solution through zinc replacement. Zinc replacement is followed by clarification, and finally a series of filters. From the final filters the concentrate is then sent to a furnace (retort) to produce the final product of dorè bars.

The Gold Canyon Mill would employ approximately 15 people full time, with additional personnel required for aggregate mining, marketing, and other activities. Wilson Processing, LLC is being organized as the business entity for these activities and the eventual permittee with the Nevada Department of Environmental Protection and other regulatory agencies.

The economic contribution to Lyon County is expected be significant, both in additional employment opportunities for local residents, the importance to the county of the Net Proceeds Tax, and in the general economic activity and attention that "underground mining on the Comstock" would generate.

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ART WILSON : GOLD CANYON MILL AND AGGREGATE QUARRY

SPECIAL USE PERMIT APPLICATION

NARRATIVE: QUARRY

The Gold Canyon Quarry will be a small scale quarry operation to facilitate both on site uses and local offsite uses. The primary aggregate source is an andesite deposit on-site, situated due south of the proposed Gold Canyon Mill location.

Through the operation of the Gold Canyon Quarry aggregate material can be sold for various uses throughout the local region adding much needed resources for the ever expanding population of Nevada. These goods can be used for road aggregate, construction aggregate, building and dimension stone. The quarrying of andesite will also aid in the construction of the Gold Canyon Mill site and potential future operations in the surrounding areas.

Production of aggregate materials is expected to peak at 100,000 cubic yards a year. This will result in ten semi-truck trailers a day or a combination of semi-trucks and various small trucks leaving the quarry site to deliver said product to local end users.

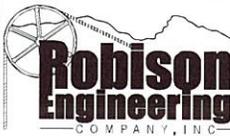
Material will be processed utilizing a mobile crusher within the designated pit area. Quarried material will then be screened and stockpiled around the outer perimeter of the quarry, which will result in less disturbance directly related to mining. The stockpiled material will then be loaded into the aforementioned vehicles near the same area used as drop off for ore for the Gold Canyon Mill operation.

The Gold Canyon Quarry would employ approximately 5 people full time. These personnel are also directly related to the operation of the Gold Canyon Mill, which will result in a symbiotic relationship between the two operations and said employees.

Once final extraction of resources through the Gold Canyon Quarry is achieved the mine site shall lend itself well to further industrial or commercial activities via a gently sloping final floor. This would add benefit to Lyon County well into the future through other varied uses for the site.



PROJECT LOCATION



846 VICTORIAN AVENUE
SPARKS, NV 89431
www.robisoneng.com

DRAWN: NER

DATE: 2016-02-11

PREPARED FOR:
ART WILSON

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Carson City, NV 89721
775-720-5777

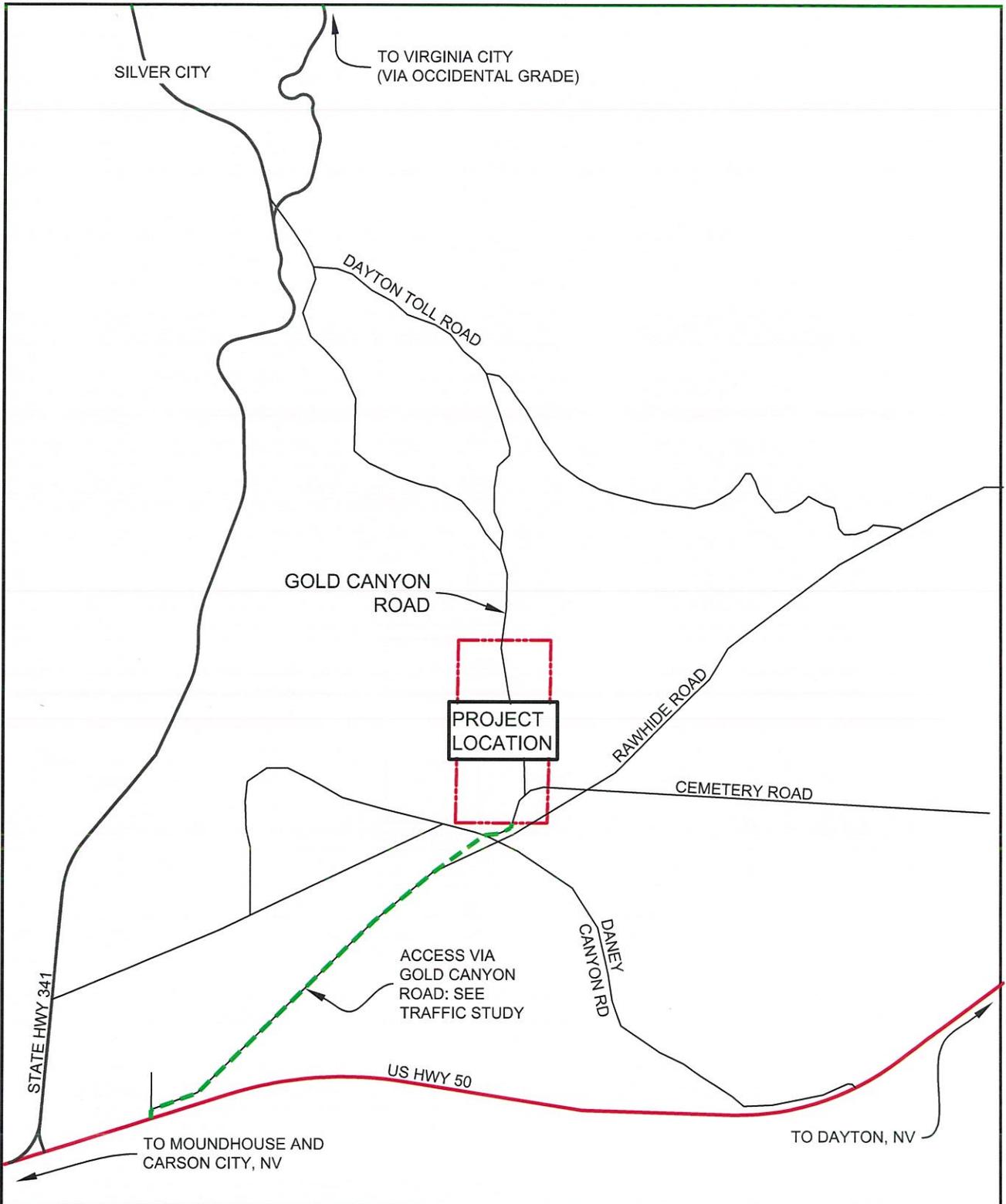


SCALE IN: MILES

**Gold Canyon Mill
2016 Special Use Permit**

FIGURE 1
STATE MAP

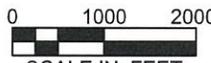
LYON COUNTY NEVADA
PROJECT NO. 1-353-07.001




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DRAWN: NER
 DATE: 2016-04-22

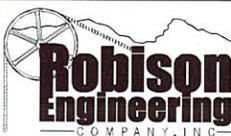
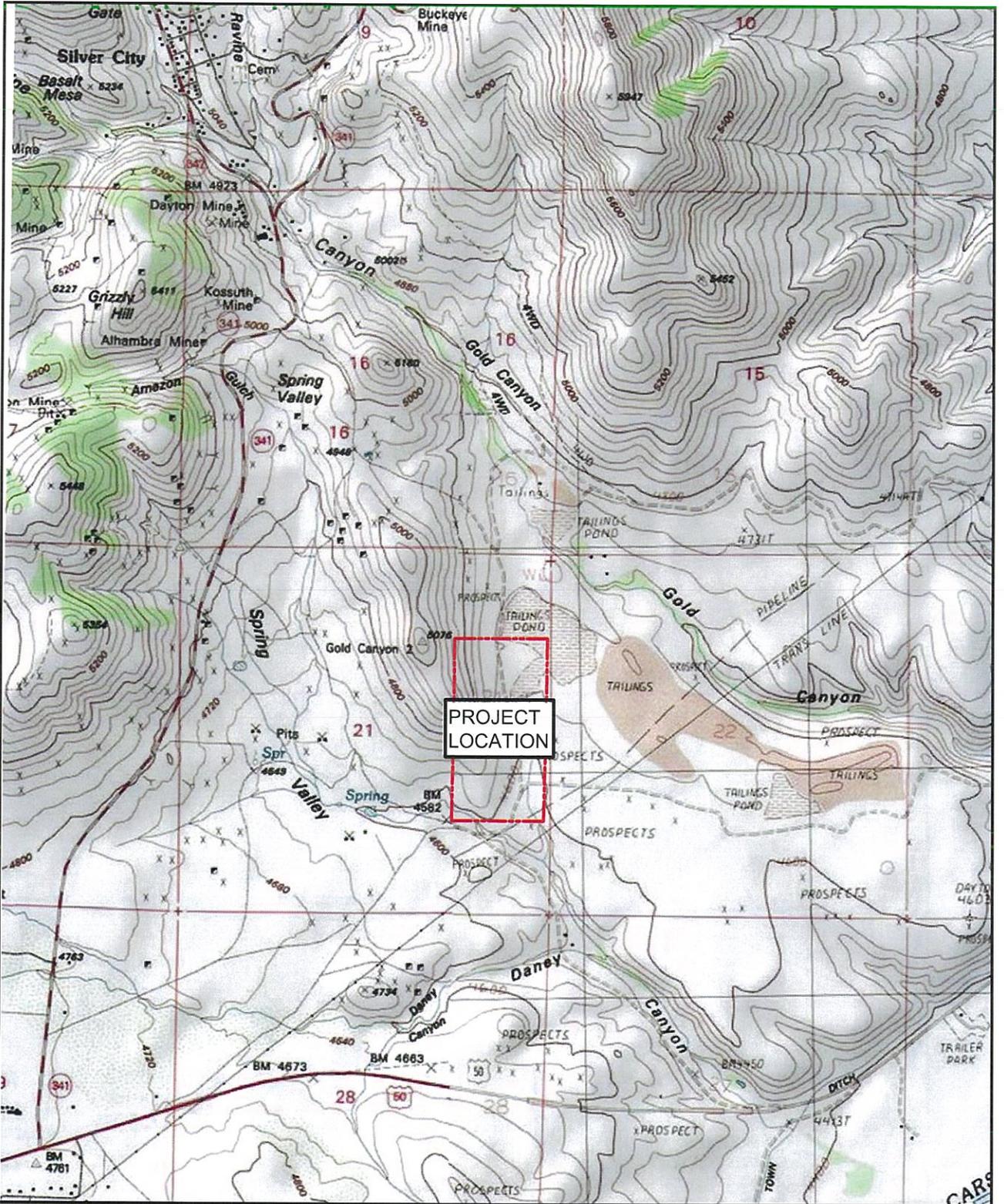
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 SCALE IN: FEET

Gold Canyon Mill
2016 Special Use Permit

FIGURE 2
 VICINITY MAP

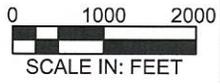
LYON COUNTY NEVADA
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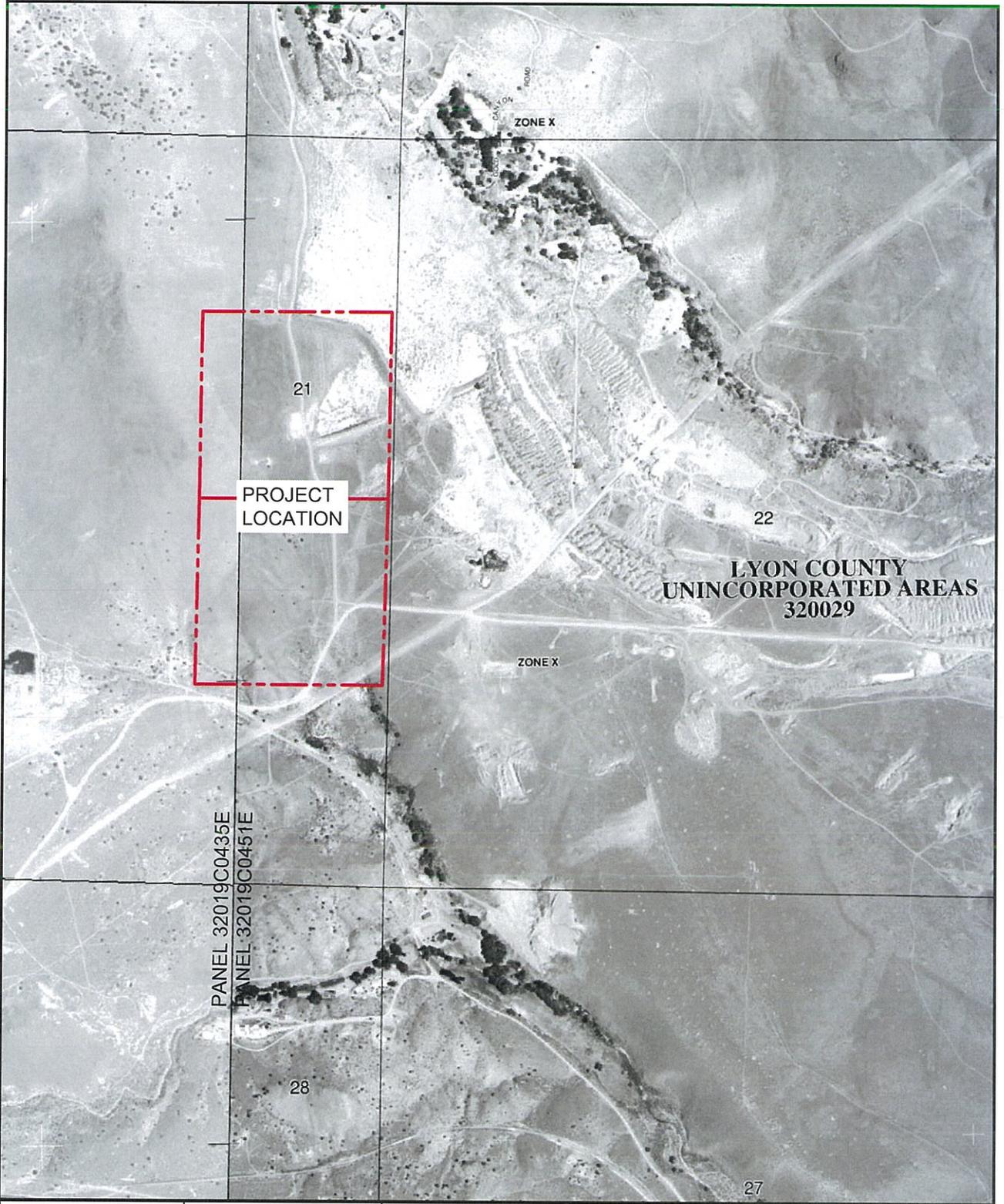


Gold Canyon Mill
2016 Special Use Permit

FIGURE 3
REGIONAL TOPOGRAPHY

LYON COUNTY NEVADA
PROJECT NO. 1-353-07.001

DRAWN: NER
DATE: 2016-02-11

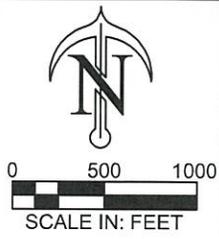


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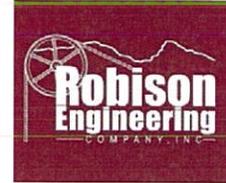


Gold Canyon Mill
2016 Special Use Permit

FIGURE 4
FEMA PANEL EXCERPT

LYON COUNTY NEVADA
PROJECT NO. 1-353-07.001





ART WILSON : GOLD CANYON MILL AND AGGREGATE QUARRY

SPECIAL USE PERMIT APPLICATION

JUSTIFICATION

The Gold Canyon Mill and the adjacent andesite quarry operation will benefit the whole of Lyon County in many ways. Our great state was built on a solid foundation steeped in mining and has many historic sites related to our mining past. Silver City and its neighbors are among the greatest of these sites, and deserve the vitality and hope that precious metals mining uniquely represents. The quarry will supply needed aggregate material to help sustain the growth of the region.

By approving the land use for the mill and quarry, the rich history of the Comstock Lode can continue to evolve with both mining and other beneficial land uses.

With mining becoming more industrialized and commercialized there are few locations for small scale mining operations to take their ore to for proper processing – this leads to undeveloped ore bodies or, worse, irresponsible and unregulated attempts at mineral processing. With advanced and fully regulated and inspected processing methods, the Gold Canyon Mill can increase returns from ore as opposed to the current industry standard of heap leaching, which is utilized throughout Nevada. By utilizing a small scale processing plant and fine grinding, recovery rates can be greatly increased as opposed to other methods.

A side effect of efficient recovery from “high grade” ore is the discouragement of “low grade” ores which, due to the need to process greater volumes, lead to land consumption in open pit mines, which are socially challenging in the limited desirable land area of the Silver City area.

The proposed operations would bring new jobs to the surrounding area both directly and indirectly. By offering an option for small scale miners to have ore processed, ventures that were once thought to be impossible can be re-assessed. The proximity of the quarry to areas of anticipated use of the materials produced will result in very energy and traffic efficient production and delivery of those materials.

Drainage and Water Supply:

The proposed operation offers a unique opportunity to develop an environmentally degraded valley with historic tailings both on and adjacent to the property. Under current environmental regulations, since no business is being conducted on this land the State of Nevada has few options to compel treatment or stabilization of these historic tailings. The Gold Canyon Mill proposes at least two major activities to prevent the continued contact of these tailings with meteoric and run-on stormwater:



Covering the small tailings pond within Parcel 2 with an impermeable liner capped with soil which will prevent meteoric water infiltration.

Construction of a sediment control pond which will capture all runoff from the proposed site and adjacent impacted areas, potentially allowing for material recovery and treatment.

The proposed operation offers a unique opportunity to develop an environmentally degraded valley with historic tailings both on and adjacent to the property. Under current environmental regulations, since no business is being conducted on this land the State of Nevada has few options to compel treatment or stabilization of these historic tailings. The Gold Canyon Mill proposes at least two major activities to prevent the continued contact of these tailings with meteoric and run-on stormwater:

Active site presence to maintain existing stormwater diversions both around and into the small tailings pond within Parcel 2, and the potential for beneficial use of this area by capping the exposed tailings, if environmental investigation reveals this as a beneficial action.

Construction of a sediment control pond which will capture all runoff from the proposed site and adjacent impacted areas, potentially allowing for material recovery and treatment.

Art Wilson has Permit No. 85376, issued December 16, 2015, for waters from an underground source in the Dayton Valley (Basin No. 103), previously associated with the Adams Claim mine in Moundhouse. This permit allows appropriation for beneficial use of 70.73 acre-feet annually, or 0.58 cubic feet per second for Mining, Milling and Domestic purposes within the east ½ of the east ½ of Section 21, Township 16N Range 21E. The well has been inspected and found to be in good working condition and was pump-tested and found to produce approximately 250 gpm sustainably (0.56 cfs), with the remaining duty potentially produced by the second Point of Diversion associated with this right also located within the commonly owned parcels.

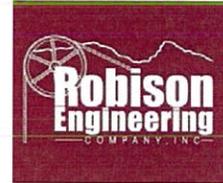
Based on the "dry tailings" solution recovery proposed, we estimate 15% water content of the filter-pressed cake products. At the proposed 50 tpd consumption (approximately 667 cubic feet per day total output volume of dry tailings) this is 100 cubic feet per day or 0.8 acre feet per annum (AFA) mill production. With reasonable allowance of about 2 AFA for domestic purposes, and allowing for potential future increases in production rate, the 70.73 AFA permitted is more than sufficient.

See attachments hereto which are the DWR approval of the Change, and Place of Use / Point of Diversion map for this Water

The water supply is more than adequate to supply all the needs of both the proposed mill, which is projected to recycle 85% of process water, and the proposed quarry.

Soil Erosion:

Soil erosion will be managed by controlling run-on and run-off from the site as described above, and by concurrent revegetation of the site as operations permit.



Dust and Noise:

Dust impacts will be minimal due to the extensive monitoring and control measures detailed in the accompanying Mitigation Plan. Project equipment will comply with the required air quality permit with the use of specialized emission control technology. Controls may consist of water sprays, dust collectors, or enclosures on typical mine related material handling equipment.

Noise impacts will be mitigated by locating most stationery noise-generating equipment in buildings. Impacts to neighbors are expected to be insignificant to non-existent due to the distance of nearest residences from the proposed operation and their location in topography that isolates them from noise and view of the site.

Impacts Upon Tourism, Historic, Archaeological and Cultural Resources, Recreational Areas, Agriculture and Public Safety:

Due to the relatively remote location of the proposed projects and the lack of tourist attractions in the immediate area there will be no impacts upon tourism. The site does not encompass any known historic or archaeological resources, and there are none immediately adjacent to be impacted. There are no formal recreation areas near the site, and only very limited dispersed recreation nearby, primarily shooting. There is no agriculture in the area. Public safety will be ensured by secure chain link and wire fencing of the mill and quarry area and postage of warning signs. Traffic related to the operations will be limited to a strictly enforced 25 mph on roads. Public easements through the property will be corridor fenced as appropriate to segregate non-quarry and mill traffic from the proposed operations.

Site Reclamation and Mitigation of Impacts:

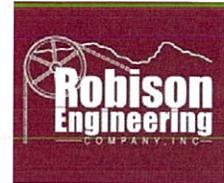
The site will be reclaimed to a fully productive post-mining land use of wildlife habitat, open space, and limited dispersed recreation. Reclamation and revegetation are described in detail in the reclamation plan. The proposed mitigation of impacts as described in the Mitigation Plan is fully adequate to prevent degradation of the site and to ensure public safety.

Effect of Proposed Operation on Natural Beauty, Character, Tax Base, Economy, Adopted General Plan, Land Value, and Land Uses in the Area:

Upon completion of reclamation, the natural beauty of the site will be fully restored. The high wall remaining from the quarry operation will provide significant habitat for raptors and other wildlife. Due to the level of degradation of the natural existing vegetation, it is expected that the condition, character, productivity and beauty of the site will actually be enhanced over current conditions. Buildings, roads, the well, and other useful elements of infrastructure are expected to be after cessation of mill and quarry operations in accordance with the Lyon County Public Land Policy, thus increasing the value of the land and the positive impact to the tax base and economy. The proposed operations are fully consistent with the adopted general plan. There will be no significant impact on other land uses in the area. No residences or other operations are within sight of the proposed operation and those within 0.5 miles of the proposed project perimeter are located in the Gold Canyon ravine such that they are well insulated from any noise generated by the operations.

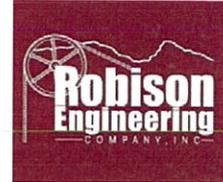
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Wilson Processing, LLC anticipates a written agreement with Lyon County contracting to reclaim the site to the prescribed condition and time, in accordance with the reclamation plan.

These benefits and mitigation measures justify the approval of the Gold Canyon Mill and Aggregate Quarry.



ART WILSON : GOLD CANYON MILL AND AGGREGATE QUARRY

SPECIAL USE PERMIT APPLICATION - MITIGATION PLAN

The purpose of this plan is to ensure that any potentially adverse impacts to the human and natural environment are adequately mitigated.

Drainage and Groundwater:

Engineered run-on and run-off controls will preserve natural drainage and mitigate the potential for soil erosion. There are no impoundments or injection wells which would pose a potential threat to ground water quality. There will be no pit lake.

Potential Soil Erosion:

The operator shall employ appropriate State of Nevada Best Management Practices during construction, operation and reclamation to minimize sedimentation from disturbed areas. Low water crossings or sediment traps shall be constructed at drainage crossings as needed to inhibit soil erosion runoff and down-gradient sediment deposition. Construction of low water crossings or sediment traps, if any, will be coordinated with NDEP.

Dust and Noise:

The Nevada Bureau of Air Pollution Control (NBAPC) regulates fugitive dust from both vehicular traffic and process equipment. Fugitive dust from vehicular traffic is required to be no greater than 20% opacity. The project will control dust from traffic associated with project activities by posting and limiting vehicle speeds on dirt and gravel roadways and with the use of roadway watering or with the use of a chemical suppressant. Water trucks will be on hand to water disturbed land and pre-water areas to be disturbed. In addition, an equipment operator will be required to obtain and hold an opacity certification to comply with the NBAPC air quality permit standards. Project equipment will comply with the air quality permit with the use of specialized emission control technology. Controls may consist of water sprays, dust collectors, or enclosures on typical mine related material handling equipment. Further mitigation measures are discussed in the Air Quality section below.

Noise from process equipment will be mitigated primarily from locating the equipment within a building. Crushing and screening of andesite material will be conducted using a mobile crushing system located near the deposit. Noise generated from equipment will be localized near the equipment and occur during normal business hours. The nearest neighbors from the crushing equipment are located approximately 0.6 miles south of the project nestled in a valley with a small hill between the project. There are also neighbors located approximately 0.5 miles



to the northeast from the milling site, also secluded in a valley with no site line to the project. Project equipment related noise is expected to be negligible due to the terrain features. Vehicular traffic noise will only occur during normal business hours and follow the roadways. It is expected that there will be minimal traffic noise due to the low tonnage per day at the project and with three roads in and out of the project area.

Historic, Cultural, and Archaeological Resources:

The APE shall be clearly flagged, and all Wilson Processing employees and contractors shall be informed before commencement of project operations to stay within the APE. Employee briefings will be conducted to inform personnel of critical elements of compliance with the Archaeological Resources Protection Act (ARPA) and the National Historic Preservation Act (NHPA). Any effects on, defacement of, or removal and/or disturbance of archaeological, historical, or sacred material shall not be permitted, and violation of the laws that protect these resources shall be subject to law enforcement and/or administrative disciplinary action. The SHPO shall be notified immediately if human remains or artifacts or any other items of cultural significance are encountered on public land during project operations, and all work within 300 feet of their location shall cease. Per Nevada Revised Statute 383.170, burial remains on non-federal lands will require contact of the Nevada State Historic Preservation Office. Future exploration activities or operations proposed on the public land within the Project Area but outside any APE shall be surveyed to identify the potential for cultural resource occurrence prior to approval of any surface disturbing activities

Public Health and Safety:

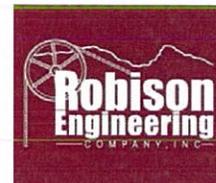
The Proposed Action would not result in any impacts to public health or safety, surface disturbing activities operations would be conducted in conformance with all federal and state health and safety requirements to protect public health and safety and reclamation of disturbed areas would be conducted as soon as practicable. Engineering controls such as berms and fencing would be employed to keep the public away from active exploration and mining operations. Mine site personnel would also be on-site to keep the public away from operations. All trash would be contained and hauled to an approved disposal facility. Specific measures to ensure health and safety are detailed in the reclamation plan.

Hazardous materials will be contained in the mill building and will be stored and maintained with all appropriate containment and secondary containment measures.

Wildlife and Vegetation:

The proposed project will not include any process or other ponds, thus no impacts to wildlife from those features will occur.

A weed survey during the appropriate season to identify existing conditions and develop an invasive, nonnative species control program. Wilson Processing shall implement an invasive, nonnative species control program consisting of monitoring and eradication for species listed on the Nevada Designated Noxious Weed List. All vehicles and heavy equipment entering the Project Area from off-site shall be washed free of soil and dust which may contain invasive, non-



native or noxious weed seeds. Seed mixtures used to re-vegetate disturbed areas shall be designated "weed free".

No known threatened or endangered species or critical habitat have been identified within the Project Area, which has been heavily disturbed by past activities and Rights-of-Way. Because disturbances associated with the Proposed Action would be of limited extent and subsequently reclaimed, it has been determined that the Proposed Action would not result in substantial net loss of potential habitat.

Natural Beauty and Character of Site:

The measures detailed in the Reclamation Plan will ensure that the site is regraded and revegetated to restore the natural beauty and character of the site. All lights within the Project Area will be directed downward to minimize visual impacts at night to traffic or residences (Lyon County SUP requirement).

Hazardous Materials:

In the event that a hazardous or regulated material is spilled, the operator shall take measures to control the spill and immediately notify BLM and NDEP. Petroleum products and other common hazardous materials/wastes shall be stored in impermeable, sealed and secured containers and stored in bermed lined containment structures designed to contain 110 percent of the largest tank's capacity. All hazardous materials will be appropriately secured to preclude unauthorized access.

Air Quality:

Air quality is regulated under the Clean Air Act (CAA). The CAA required the EPA to develop and establish the National Ambient Air Quality Standards (NAAQS) who then delegated the NBAPC to implement and enforce these standards using both state and federal rules and regulations. The NAAQS includes criteria pollutants such as particulate matter, nitrogen dioxide, sulfur dioxide, carbon monoxide, lead, and ozone. In order to operate, a facility must show compliance with the NAAQS and obtain an air quality operating permit for the equipment and area in question. This project would require a minor source permit for the material handling equipment and a mercury operating permit for the thermal equipment used in producing gold bars. The air quality operating permits will include limits on emissions of criteria pollutants and testing requirements on specific equipment. Fugitive dust will be monitored under the air permits with a surface area disturbance section and a dust control plan. The project will adhere to all local and national standards under the NBAPC.

Tourism, Recreation Areas, Agriculture, and other Resources:

No impacts to tourism, recreation areas, or agriculture are anticipated. There are no park lands, prime farm lands, wild and scenic rivers or ecologically critical areas in or near the Project Area. The Proposed Action would not have highly controversial effects on the quality of the human or natural environment. The effects would be similar to those posed by similar activities in this area which were not considered to be highly controversial.



ART WILSON : GOLD CANYON MILL AND AGGREGATE QUARRY

SPECIAL USE PERMIT APPLICATION - RECLAMATION PLAN

This Plan addresses measures to be taken to re-establish a productive post-mining land use at the Gold Canyon Mill and Quarry. Wilson Processing LLC's goals for reclamation of the affected areas are to:

- Provide for public safety;
- Establish a self-sustaining plant community to stabilize the reclaimed sites, contribute to the natural beauty and character of the area, and support productive post-mining land uses.

Statement of Reclamation Activities

The following sections describe the measures that would be taken to reclaim the disturbances associated with the proposed operation, and to prevent unnecessary and undue degradation of the environment following the completion of milling and quarrying operations. Wilson Processing has formulated the Plan to facilitate concurrent reclamation, protect wildlife and the public, minimize erosion and mass failure potential; allow for structure removal as deemed appropriate; regrade the site, revegetate with appropriate native species, and provide for the productive and sustainable post-mining land uses.

Measures would also be taken to maintain long-term safety of the pits. All reclamation would be consistent with the requirements of NRS 519A and NAC 519A.

Description of Other Reclamation Activities

The reclamation procedures currently used at the Mine incorporate the following basic components:

- Establishment of stable topographic surface and drainage conditions that would be compatible with the surrounding landscape and serve to control erosion;
- Establishment of soil conditions conducive to establishment of a stable plant community through stripping, stockpiling, and application of a suitable growth media;
- Revegetation of disturbed areas to establish a long-term, productive biotic community compatible with proposed post-mining land uses;
- Reduction or elimination of potential environmental impacts;
- Protection of public safety through stabilization, removal, and/or fencing of structures or landforms that could constitute a public hazard; and



- Consideration of the long-term visual character of reclaimed areas.

The Reclamation Plan would restore the project area to a beneficial post-mining land use, prevent undue or unnecessary degradation of the environment, and reclaim disturbed areas to ensure visual and functional compatibility with the surrounding topography.

Proposed Schedule for Initiation and Completion of Reclamation

Reclamation would be initiated when individual components are no longer required for mine operations or when facilities are decommissioned and site closure begins. Removal of facilities, contouring, growth media application, and revegetation activities may occur at any time during current mining operations. Concurrent reclamation of select disturbed areas has been performed at the Mine and may continue at any time until mine closure. Post-mining reclamation would be initiated when ore reserves have been exhausted and mining operations cease.

Proposed Productive Post-Mining Land Use

The proposed post-mining land use at the Mine, once revegetated, would be suitable for wildlife habitat, dispersed recreational uses, and mineral exploration.

Post-Mining Topography

The intent of the reclamation program is to reclaim disturbed areas such that these areas are visually and functionally compatible with the surrounding topography.

Slope Stability Technical Criteria

The proposed quarry will be analyzed and designed to ensure stability during operation and closure activities. The goal will be to ensure structural competence to withstand normal geologic and climatic conditions without significant failure that would be a threat to public safety and the environment. These facilities would continue to be monitored on a regular basis during operations to identify any evident stability concerns.

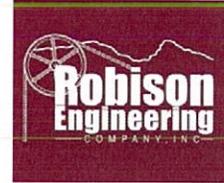
Pit

The working pit configurations are engineered to optimize mining operations while ensuring worker safety during mine operations as well as post mine reclamation. No waste rock production is anticipated. Any overburden will be stockpiled for use as growth media during concurrent and post-mining reclamation.

The proposed operation will include no impoundments and generate no waste rock.

Revegetation

All suitable growth media would be salvaged from areas scheduled for disturbance and stockpiled for future reclamation activities. Topsoil stockpiles shall be located outside of natural drainage courses and seeded to promote revegetation and minimize erosion for the duration of operations. Regraded and/or prepared sites would be covered with stockpiled growth media on a select basis to optimize revegetation potential and assist in establishing the approved beneficial, post-mining land use. Following growth media application, the surfaces will be shallow ripped in fall and broadcast seeded with an approved seed mix consisting of perennial native shrubs, forbs, and grasses. The seeded surfaces will be immediately dragged or harrowed to incorporate the seed.



Post Closure Monitoring

The site will be monitored annually for three years to detect any issues with revegetation and to ensure that any state-listed noxious weed species are controlled in a timely manner.

Proposed Reclamation Techniques of Roads

Recontouring and Regrading

Roads with potential beneficial post-mining use will be retained for the benefit of Lyon County. Roads that do not have a beneficial post-mining land use would be recontoured, covered with suitable growth media as required, and regraded to blend with the surrounding topography.

A road grader would scarify the recontoured roadway surface to loosen packed surfaces and prepare adequate seedbeds. On recontoured slopes, tracking with a dozer would provide an excellent seedbed. Surfaces would be revegetated as described above.

Roads intended for post closure use would be constructed with waterbars where appropriate to minimize erosion and resulting sedimentation.

Restoring or Stabilizing Drainage Areas or Streambeds

Grading would be performed to minimize surface water flow concentration. This procedure would reduce the chance of erosion problems in reclaimed areas.

While there are no significant surface waters in the vicinity of the Mine site, properly graded and water-barred roads intended for post-closure use would minimize sediment loading to surrounding areas.

Proposed Disposition of Buildings and Ancillary Facilities

When mining operations are completed, the mobile mining equipment would be removed from the site. On-site buildings and facilities with potential use would be retained.

Proposed Reclamation of Quarry Pit

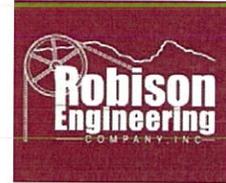
- Roads leading to the pits would be blocked with large rocks or earthen barriers to prevent motorized vehicle passage;
- Berms would be placed around the perimeter of the pits to prevent motorized vehicle access. The berms would be placed 10 to 25 feet from the edge of the final pit limits. The berms would be constructed of large boulders and and/or fencing. Berms would be placed far enough away from the final pit limits to prevent failure of the berm due to normal pit wall failures; and

Signs would be posted warning of hazards present, identifying the area as private property and prohibiting trespassing.

Monitoring and Maintenance of Fences and Other Structures

All safety berms, fences, and signs would be monitored annually with repairs made as required.

The proposed reclamation activities described in the Plan would not prohibit future mining in the area.



Concurrent Reclamation

Concurrent reclamation will be conducted where possible. Facilities or portions of them that are no longer required would be concurrently reclaimed as appropriate during operations.

Measures Taken During Extended Periods of Non-Operation

There are no planned temporary closures having a specific condition defining their beginning and end due to weather or beneficiation interruptions. In the event of unfavorable economic conditions, mining and/or crushing operations may be reduced; however, active management and maintenance of process components and quarry security would continue. In the event of temporary cessation of mine operations, Wilson Processing would prepare and submit to the appropriate state agencies a Temporary Closure Plan.

Activities to be maintained during any temporary closure would include:

- Implement best management practices to prevent unnecessary or undue degradation;
- Environmental monitoring as prescribed under all applicable permits (local, state, and federal);
- Retain labor and equipment needed to meet operational requirements and to react to emergencies resulting from storm events or other unplanned occurrences; and

Assumption of Reclamation Responsibility

In accordance with NRS 519A and NAC 519A, Wilson Processing agrees to assume responsibility for the reclamation of all surface disturbance affected by the operation of this project.

Public Safety Statement

Wilson Processing will maintain strict security procedures to prevent any unauthorized access to the mine site by the public. These procedures would remain in place until all reclamation activities have been completed and known safety hazards have been removed or mitigated.

In addition to maintaining security procedures during mine operations and reclamation activities, FCMI would secure the quarry pit with a soil/rock berm and post warning signs along the berms. These procedures are consistent with the requirements of NAC 513.330 through NAC 513.360. These security measures would provide adequate public safety following final site closure.

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**ART WILSON : GOLD CANYON MILL
SPECIAL USE PERMIT APPLICATION
-
WATER RIGHTS DOCUMENTATION**

Art Wilson owns Water Right Permit No. 85376 with a duty of 70.73 AFA which is properly associated with the Place of Use and Point of Diversion at the subject site.

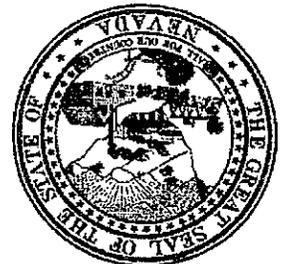
Attached are the Permit and original application, and the Water Right Map from the records of the Nevada Division of Water Resources.

See the Mill and Quarry Justification section of this Application which documents sufficiency of this water supply for the proposed use.

Art Wilson is the sole Permittee of Permit No. 85376.

THE STATE OF NEVADA

PERMIT TO CHANGE THE PUBLIC WATERS OF THE STATE OF NEVADA HERETOFORE APPROPRIATED



Name of Permittee: ART WILSON

Source: UNDERGROUND

Basin: DAYTON VALLEY

Manner of Use: MINING, MILLING AND DOMESTIC

Period of Use: JANUARY 1ST THROUGH DECEMBER 31ST

Priority Date: 02/21/1996

APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit, to change the point of diversion and place of use of a portion of the waters of an underground source as heretofore granted under Permit 75475, is issued subject to the terms and conditions imposed in said Permit 75475 and with the understanding that no other rights on the source will be affected by the change proposed herein. This well shall be equipped with a two (2) inch opening for measuring depth to water. A totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water placed to beneficial use. The totalizing meter must be installed before any use of the water begins or before the proof of completion of work is filed. If the well is flowing, a valve must be installed and maintained to prevent waste. This source is located within an area designated by the State Engineer pursuant to NRS 534.030. The State retains the right to regulate the use of the water herein granted at any and all times.

The permittee shall keep monthly records of the amount of water pumped from this well and the records submitted to the State Engineer on an annual basis by February 15th of each year. This permit is issued under the preferred use provisions of NRS Chapter 534. The manner of use of water under this permit is by nature of its activity a temporary use and any application to change the manner of use granted under this permit will be subject to additional determination and evaluation with respect to the permanent effects on existing rights and the resource within the ground water basin. The issuance of this permit expires Temporary Permit 852837.

This permit does not extend the right of ingress and egress on public, private or corporate lands. The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies. The point of diversion and place of use are as described on the submitted application to support this permit.

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 0.58 cubic feet per second or 70.73 acre-feet annually.

Work must be prosecuted with reasonable diligence and proof of completion of work shall be filed on or before:

December 16 2017

Water must be placed to beneficial use and proof of the application of water to beneficial use shall be filed on or before:

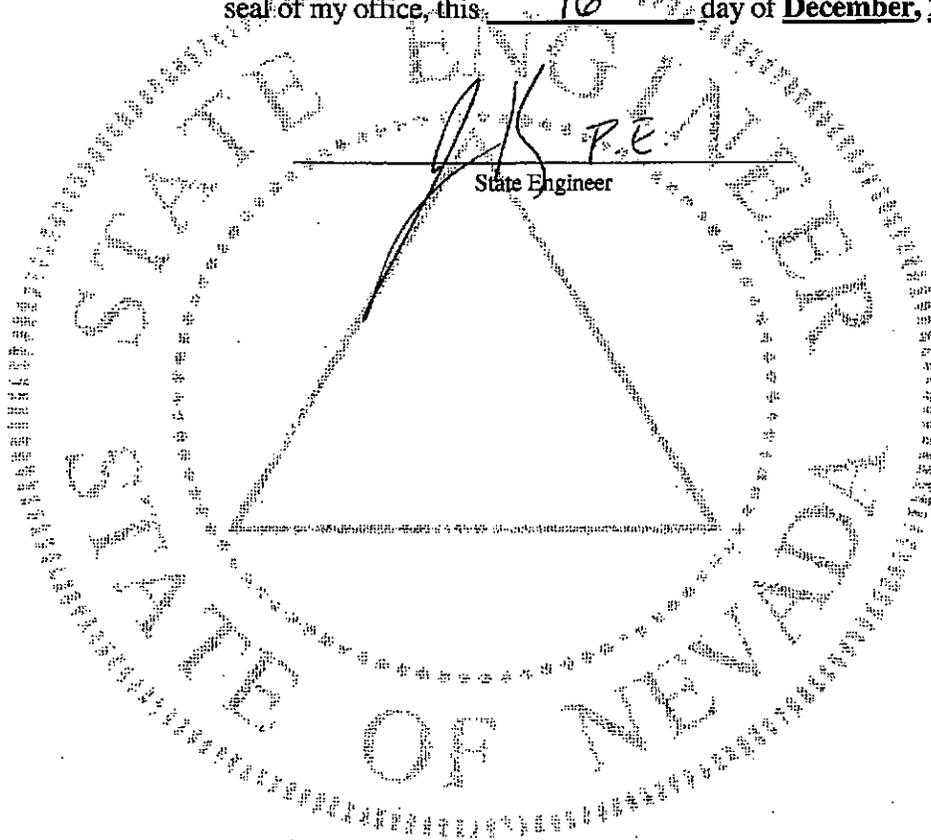
December 16 2020

Map in support of proof of beneficial use shall be filed on or before:

N/A

IN TESTIMONY WHEREOF, I, JASON KING, P.E.,

State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 16th day of December, 2015



APPLICATION FOR PERMISSION TO CHANGE POINT OF DIVERSION, MANNER OF USE AND PLACE OF USE OF THE PUBLIC WATERS OF THE STATE OF NEVADA HERETOFORE APPROPRIATED

Application No. **85376**

THIS SPACE FOR OFFICE USE ONLY

Date of filing in State Engineer's Office AUG 0 6 2015

Returned to applicant for correction _____

Corrected application filed _____

Map filed Aug 6 1981 Under 44237

The applicant Art Wilson

P.O. Box 20160

of Carson City

Street Address or PO Box

Nevada 89721

State and ZIP Code

hereby make(s) application for permission to change the

Point of diversion Place of use Manner of use of a portion

of water heretofore appropriated under (Identify existing rights by Permit, Certificate, Proof or Claim Nos. If Decreed, give title of Decree and identify right in Decree.)

75475

1. The source of water is UNDERGROUND

Name of stream, lake, underground, spring or other sources:

2. The amount of water to be changed 0.58 CFS [70.72698 AFA]

Second feet, acre-feet. One second foot equals 448.83 gallons per minute.

3. The water to be used for Mining and Milling and Domestic

Irrigation, power, mining, commercial, etc. If for stock, state number and kind of animals. Must limit to one major use

4. The water heretofore used for Mining and Milling and Domestic

If for stock, state number and kind of animals.

5. The water is to be diverted at the following point (Describe as being within a 40-acre subdivision of public survey and by course and distance to a found section corner. If on unsurveyed land, it should be stated.)

WITHIN THE SE 1/4 SE 1/4 OF SECTION 21 T. 16 N., R. 21 E., M.D.B. & M. AND BEING LOCATED N. 28° 9' W., 1305 FEET FROM THE SE CORNER OF AFORESAID SECTION 21, AS DESCRIBED ON MAP SUBMITTED WITH APPLICATION 44237.

6. The existing point of diversion is located within (If point of diversion is not changed, do not answer.)

WITHIN THE NW 1/4 NE 1/4 OF SECTION 25 T. 16 N., R. 20 E., M.D.B. & M. OR AT A POINT FROM WHICH THE NORTH 1/4 CORNER OF SAID SECTION 25, BEARS N. 06° 53' 02" W., A DISTANCE OF 743 FEET.

8
-103
DV

7. Proposed place of use (Describe by legal subdivisions. If for irrigation, state number of acres to be irrigated.)

THE E 1/2, E 1/2 OF SECTION 21 T. 16 N., R. 21 E., M.D.B. & M., AS DESCRIBED ON MAP SUBMITTED WITH APPLICATION 44237.

8. Existing place of use (Describe by legal subdivisions. If changing place of use and/or manner of use of irrigation permit, describe acreage to be removed from irrigation.)

S. 1/2 N 1/2, N 1/2 NW 1/4, NE 1/4 NE 1/4 AND A PORTION OF THE NW 1/4 NE 1/4 OF SECTION 25, T. 16 N., R. 20 E., M.D.B. & M., LYON COUNTY NEVADA

9. Proposed use will be from JANUARY 1 to DECEMBER 31 of each year.
Month and Day Month and Day

10. Existing use permitted from JANUARY 1 to DECEMBER 31 of each year.
Month and Day Month and Day

11. Description of proposed works. (Under the provision of NRS 535.010 you may be required to submit plans and specifications of your diversion or storage works.) (State manner in which water is to be diverted, i.e., diversion structure, ditches, pipes and flumes or drilled well, pump and motor, etc.)

DRILLED WELL, PUMP, AND MOTOR

12. Estimated cost of works \$120,000

13. Estimated time required to construct works 3 Years

If well completed, describe well.

14. Estimated time required to complete the application of water to beneficial use 5 Years

15. Provide a detailed description of the proposed project and its water usage (use attachments if necessary): (Failure to provide a detailed description may cause a delay in processing.)

The Permit 75475 should be considered prime groundwater rights and its desired manor of use is consistent with the original application filings under Permit 47102. It is also understood that the manor of use, by nature, is a temporary use. The granting of this application will allow the processing of tailings and bring economic development to the local community.

16. Miscellaneous remarks:

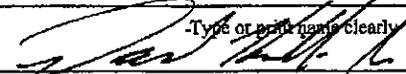
THE POD AND POU ARE DESCRIBED IN THE SUBMITTED WITH APPLICATION 44237.

david@turnipseedengineering.com
E-mail Address

775-885-2101
Phone No. Ext.

APPLICATION MUST BE SIGNED
BY THE APPLICANT OR AGENT

David G. Hillis, Jr. P.E., W.R.S.


-Type or print name clearly

Turnipseed Engineering, LTD
Signature, applicant or agent Company Name

4621 Gentry Lane
Street Address or PO Box

Carson City, Nevada, 89701
City, State, ZIP Code

RECEIVED
ENGINEERS OFFICE
JAN 15 2013
11:52 AM



COMSTOCK HISTORIC DISTRICT COMMISSION
P.O. BOX 128
VIRGINIA CITY, NEVADA 89440

APPLICATION FOR CERTIFICATE OF APPROPRIATENESS

Pursuant to Nevada Revised Statutes Section 384.110, application is hereby made to the Comstock Historic District Commission for a Certificate of Appropriateness for work I propose to undertake as described below:

Property address/description APN'S 016-151-53 & 016-151-54
GOLD CANYON ROAD - E 1/2 of E 1/2 sec 21, T16N
Located in the community of MOUNDHOUSE R21E

Description of proposed work:

New Structure "GOLD CANYON MILL" DESCRIBED IN
APPLICATION & SUPPLEMENTAL DOCUMENTS FOR A
SPECIAL USE PERMIT DATED

Alteration of / Addition to Existing Structure _____

Move Existing Structure _____
(Reason) _____

Demolish Existing Structure _____
(Reason) _____

By making this application I hereby agree to indemnify and save and hold harmless the State of Nevada and the Counties of Lyon and Storey and their agents and employees from any and all claims, causes of action or liability arising from the granting of this application. I further agree to strictly comply with any and all conditions of the Certificate of Appropriateness, if issued, and the regulations and laws of the Comstock Historic District Commission.

Owner or Designated Representative:

Name ART WILSON Date 4-22-16
Mailing Address PO BOX 20160, CARSON CITY NV 89721
Signature [Signature] Telephone 775-720-5777

CHDC Staff: .

Received By _____ Title _____ Date _____

COMSTOCK HISTORIC DISTRICT COMMISSION

P.O. BOX 128

VIRGINIA CITY, NEVADA 89440

**APPLICATION FOR CERTIFICATE OF APPROPRIATENESS
MATERIALLY AFFECTED PROPERTY OWNER LIST**

Pursuant to Nevada Revised Statutes Section 384.120, application is made to the Comstock Historic District Commission for a Certificate of Appropriateness for work to be undertaken at the location described below:

Property address/description: Gold Canyon Road - Apt's 016-151-53
016-151-54
Located in the community of MOUND HOUSE

NRS 384 requires that property owners immediately abutting the parcel noted above be notified of the public hearing at which this proposal is to be heard. Immediately abutting properties do not include road or utility rights of way. All materially affected property owners names and addresses of record are listed below or appended to a CHDC Application for Certificate of Appropriateness form:

Name SEE ATTACHED Mailing Address _____

Name _____ Mailing Address _____

Proponent Signature [Handwritten Signature] Date 4-22-16

<u>Parcel No</u>	<u>Owner Name</u>	<u>Property Location</u>	<u>Mailing Address</u>
016-151-07	Comstock Mining Inc	n/a	PO Box 1118, Virginia City, NV 89440
016-151-09	Kidd, Julie Et Al, & Ellis, Evelyn G	2105 Gold Canyon Road	PO Box 20191, Carson City, NV 89701
016-151-37	US B.L.M.	n/a	n/a
016-151-52	South Comstock Tailings Disposal	n/a	PO Box 20460, Carson City, NV 89721
016-151-55	South Comstock Tailings Disposal	n/a	PO Box 20460, Carson City, NV 89721



Robison Engineering Company, Inc
846 Victorian Avenue, Suite 20, Sparks, NV 89431

775-852-2251 ~ www.robisoneng.com



**ART WILSON : GOLD CANYON MILL
SPECIAL USE PERMIT APPLICATION**

PHOTOGRAPHS

The following pages are photographs from an elevated vantage point near the center of the proposed Gold Canyon Mill, as indicated in the Unmanned Aerial Survey (UAS) Photo 1 on Page 2. Photos are intended to provide the context for development.

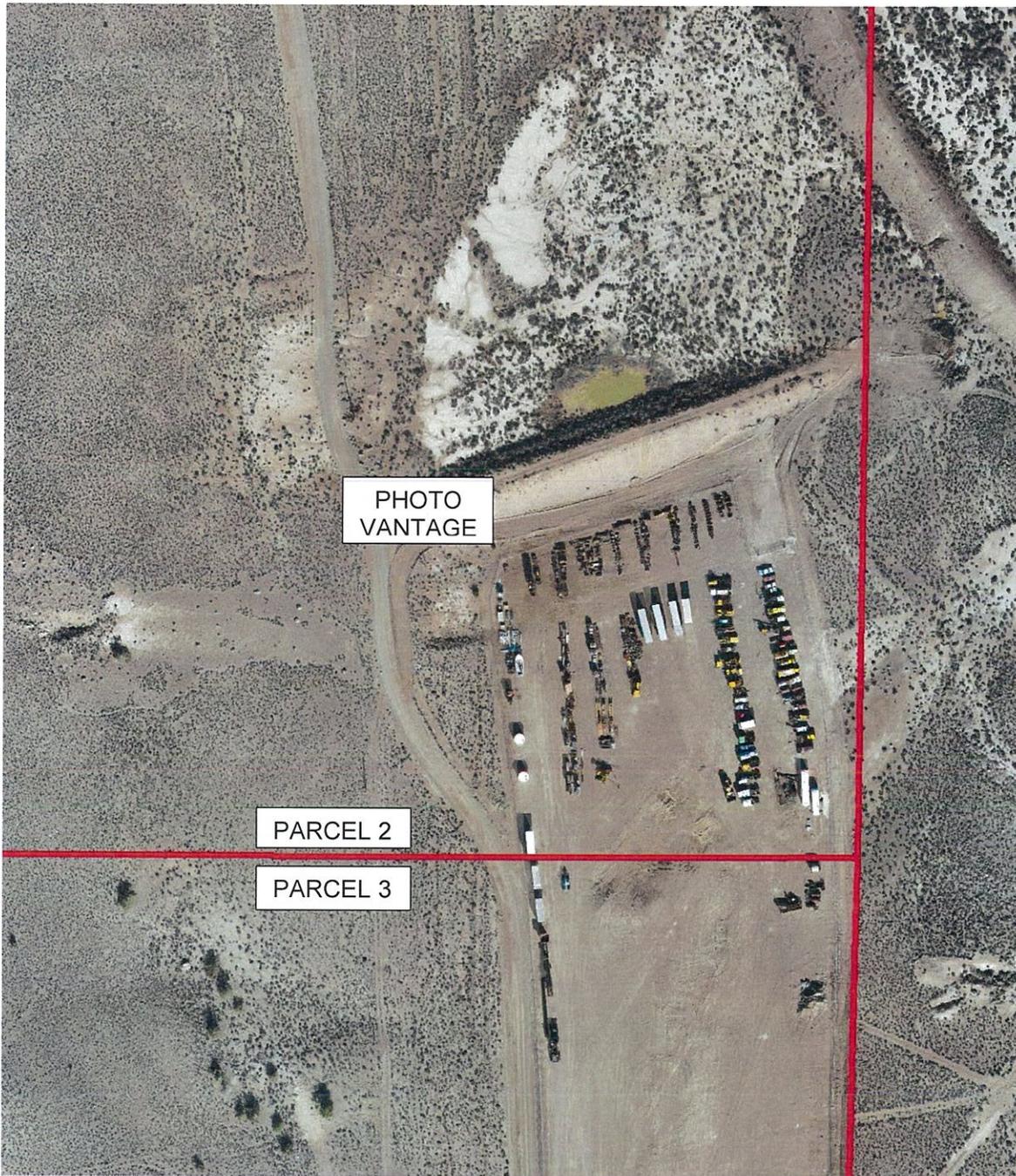


Photo 1 – UAS Aerial Photo excerpt to show Perspective Location

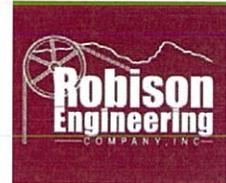


Photo 2 – Looking Northwesterly up Gold Canyon towards Silver City



Photo 3 – Looking Easterly along historic Tailings Dam towards Dayton

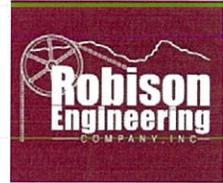


Photo 3 – Looking Souwesterly at proposed Mill Building and Rhyolite Quarry areas



Photo 4 – Looking Southerly across small Historic Tailings towards Highway 50



April 20, 2016

Dr. Chris Ross
Senior Scientist
Robison Engineering, Inc.
846 Victorian Square, Suite 20
Sparks, Nevada 89431

RE: Requirements for Mining Special Use Permit, Lyon County, Nevada

Chris:

A private land owner in Moundhouse, Lyon County, Nevada, plans mining and milling developments on two privately-owned parcels in Section 21, T.16N., R.21E.. Planned developments include construction of a milling facility and a small scale quarry operation. The parcels total approximately 81 acres and are located entirely within the boundary of the Comstock Historical District, a cultural resource management entity created by the State of Nevada (see attached map). Mining within the Comstock Historical District requires a Special Use Permit from Lyon County, as outlined under Chapter 10.10.01 of Title 10 of Lyon County Code. Chapter 10.10.02 of Title 10 stipulates the following be submitted with an application for a Special Use Permit (SUP):

- “4. A map of the district showing the planned location and size of the area of operation and including the location of any buildings or structures older than one hundred (100) years, archaeological sites, residences, recreation areas, streams, farms or other agricultural activity being conducted within a radius of one-half (½) mile from the outer perimeter of the proposed activity.”

Robison Engineering has requested that Kautz Environmental Consultants assemble the cultural resource data required by Lyon County for this SUP; specifically information regarding structures and archaeological sites within one-half mile of the parcels in question.

Documentation regarding structures older than 100 years in this portion of Lyon County is currently available through two repositories: files archived at the offices of the Comstock Historic District Commission, and the online Nevada Cultural Resource Information System (NVCRIS). Bert Bedeau, Comstock Historic District Commissioner, has confirmed that his office has no record of structures exceeding 100 years in age within one-half mile of the private parcels. Additionally, there are no structures documented in NVCRIS within the private parcels or the one-half mile buffer.

Information regarding the nature and location of archaeological sites within the area in question is housed within two data repositories: the offices of the BLM Carson City District, and the online NVCRIS data system. Two archaeological sites are located within the boundaries of the private parcels in which development is expected to occur. The nature and locations of archaeological sites are considered sensitive,

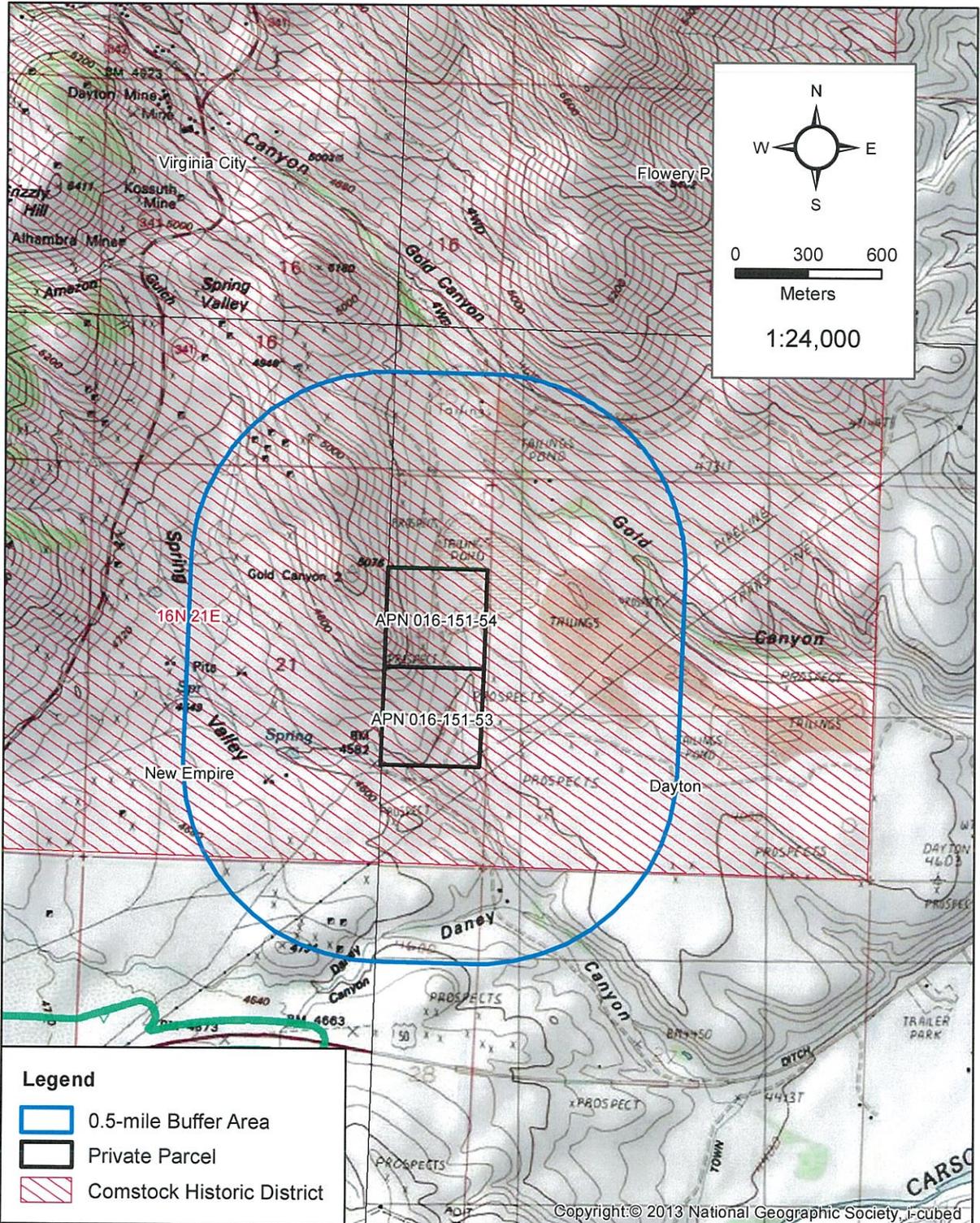
as dissemination of this data to the public may present a threat to the integrity of these resources. While the private parcels are wholly owned by the individual(s) planning to develop them, the 0.5 mile buffer around those parcels contains a mix of private parcels and public lands managed by the Bureau of Land Management. The Archaeological Resources Protection Act (1979) prohibits federal land managers from releasing archaeological site information to the public (16 U.S.C. § 470hh[a]). User agreements for the NVCRIS system prohibit me from releasing data contained therein to unauthorized individuals or organizations. As Lyon County does not have personnel on staff who are currently authorized to receive sensitive information regarding the locations of archaeological resources, at this time I am not able to supply Lyon County with the requested map of archaeological resources within the area in question.

The proposed mining activities will be conducted within the boundary of the Comstock Historic District, and are therefore subject to requirements set forth in NRS Part 384. I strongly suggest that Robison Engineering, on behalf of the private developer, contact Bert Bedeau at the Comstock Historic District Commission to determine whether or not a Certificate of Appropriateness must be obtained from that office as part of the permitting for this project. If you have any questions, or need anything further assistance, please do not hesitate to contact me.

Regards,

A handwritten signature in black ink, appearing to read 'Barbi Harmon', with a long horizontal line extending to the right.

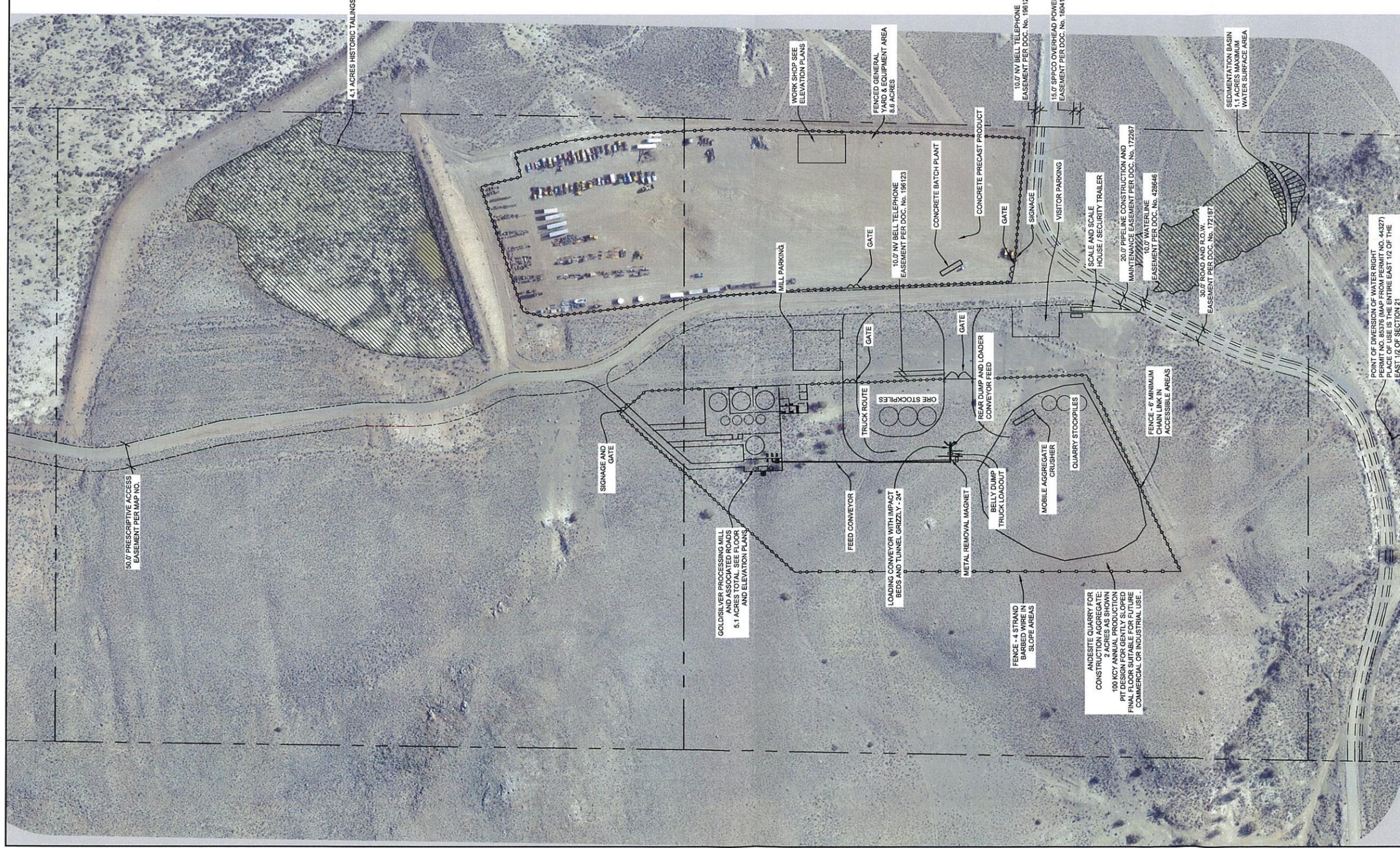
Barbi Harmon, M.A., RPA
Director of Heritage Resources



Study Area Map
 Base Map: USGS 7.5' Dayton, Nev., P. E. 1987 (Minor Revision 1993). T.16N, R.21E., Section 21, Datum (NAD 83, meters)
 Project: xxxx (KEC-1011)

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POINT OF DIVERSION OF WATER RIGHT
 PERMIT NO. 88378 (MAP FROM PERMIT NO. 44327)
 PLACE OF USE IS THE ENTIRE EAST 1/2 OF THE
 EAST 1/2 OF SECTION 21

N 28°09' W
 1300' TO SE COR
 OF SECTION 21

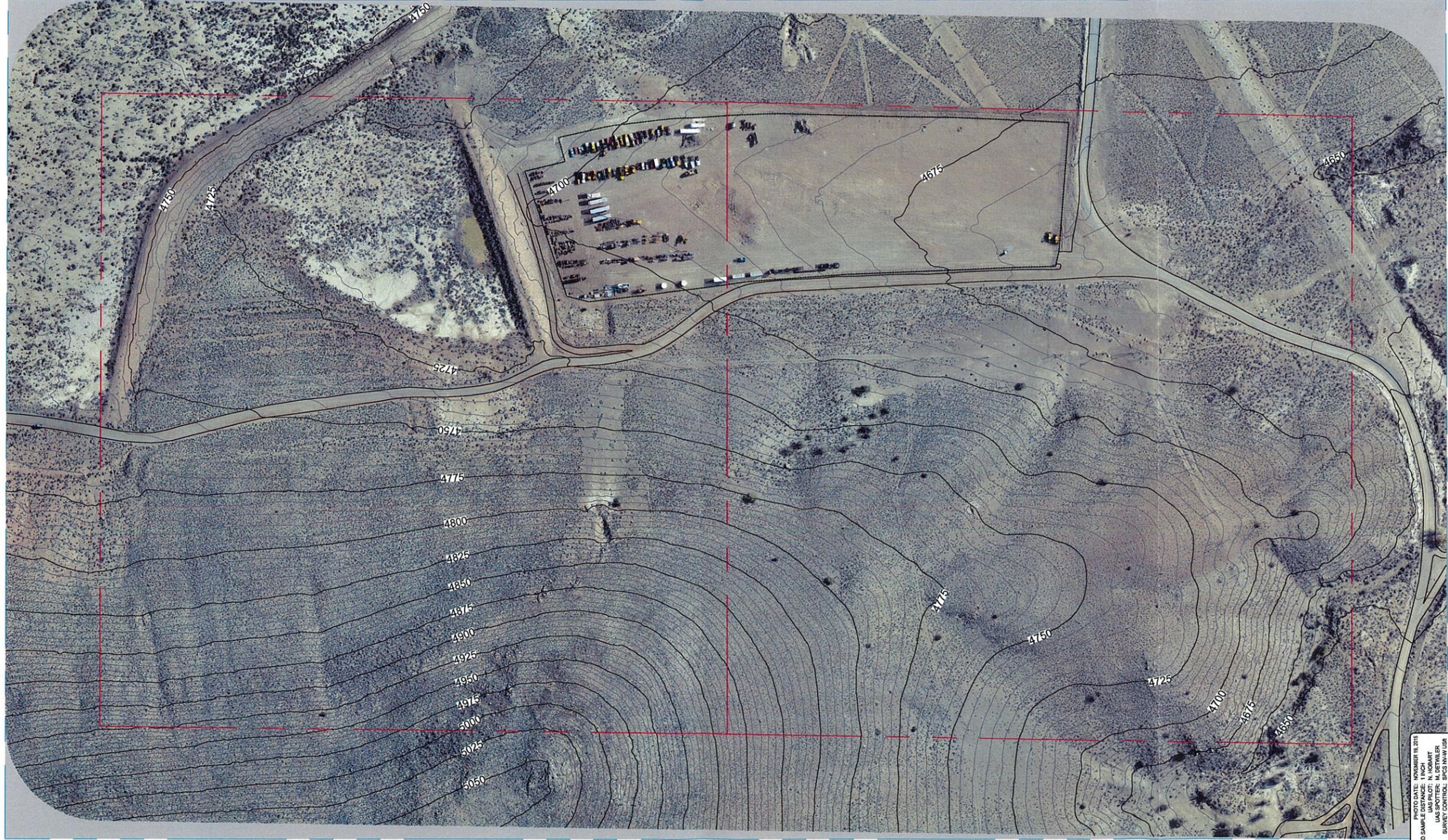
NO REVISIONS
 SHEET
F5

NO	DESCRIPTION	DATE	BY	CHKD	REFERENCES
0	SPECIAL USE PERMIT APPLICATION	2016-02-16	EJNR	NER	
1	REVISED SPECIAL USE PERMIT APPLICATION	2016-04-25	IMNR	NER	

PREPARED FOR:
ART WILSON
 PO BOX 20460
 CARSON CITY, NV 89721
 775-726-5777



Gold Canyon Mill
 2016 Special Use Permit
 FIGURE 5
 SITE PLAN
 LYON COUNTY
 PROJECT NO. 15-SS-27-001
 NEVADA



DATE OF DATA CAPTURE: 08/25/2015
 PROJECT: DA CONSOLIDATED MINES
 CLIENT: DA CONSOLIDATED MINES
 PROJECT NUMBER: 1489-01-201
 LOCATION: LYON COUNTY, NEVADA
 SCALE: 1" = 100'
 GROUND SAMPLE DISTANCE: 1 INCH
 UAS PILOT: N. HOBART
 UAS SPOTTER: M. DEWILDER
 SURVEY CONTROL: SP3S IN/AV USA
 COMPILED BY: JACOB FINLEY



GOLD CANYON MILL

TRAFFIC ANALYSIS

APRIL 2016

Solaegui



4-20-16
EXP 6-30-16

Prepared by:
Solaegui Engineers, Ltd.
715 H Street
Sparks, Nevada 89431
(775) 358-1004

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GOLD CANYON MILL

TRAFFIC ANALYSIS

EXECUTIVE SUMMARY

The Gold Canyon Mill is located in Lyon County, Nevada. The project site is generally located north of US-50, east of SR-341, and west of Dayton. Project access will be provided from an existing gravel roadway that intersects US-50 approximately one-half mile east of SR-341. The purpose of this study is to address the project's impact upon the adjacent street network. The US-50/Access Road intersection has been identified for AM and PM peak hour capacity analysis for the following scenarios:

1. Existing Conditions
2. Existing plus Project Conditions
3. 2036 Base Conditions
4. 2036 Base plus Project Conditions

The Gold Canyon Mill project will consist of two primary mining functions. The first is an aggregate operation and concrete precast plant. The plant will produce precast concrete items that will be delivered off-site in small contractor trucks. The second operation is a custom precious metals mill. Ore will be transported to the site for processing, and precious metals will be transported via small secure vehicles on infrequent occasions. The project is expected to generate 60 average daily trips with 19 trips occurring during the AM peak hour and 19 trips occurring during the PM peak hour.

Traffic generated by the Gold Canyon Mill will have some impact on the adjacent street network. The following recommendations are made to mitigate project traffic impacts.

It is recommended that any required signing, striping or traffic control improvements comply with Nevada Department of Transportation (NDOT) and Lyon County requirements.

It is recommended that the US-50/Access Road intersection be improved to include an exclusive right turn lane at the east approach containing a minimum of 465 feet of storage/deceleration length with a 20:1 taper.

INTRODUCTION

STUDY AREA

The Gold Canyon Mill is located in Lyon County, Nevada. The project site is generally located north of US-50, east of SR-341, and west of Dayton. Project access will be provided from an existing roadway that intersects US-50 approximately one-half mile east of SR-341. Figure 1 shows the approximate location of the project site. The purpose of this study is to address the project's impact upon the adjacent street network. The US-50/Access Road intersection has been identified for AM and PM peak hour capacity analysis for the following scenarios:

1. Existing Conditions
2. Existing plus Project Conditions
3. 2036 Base Conditions
4. 2036 Base plus Project Conditions

EXISTING AND PROPOSED LAND USES

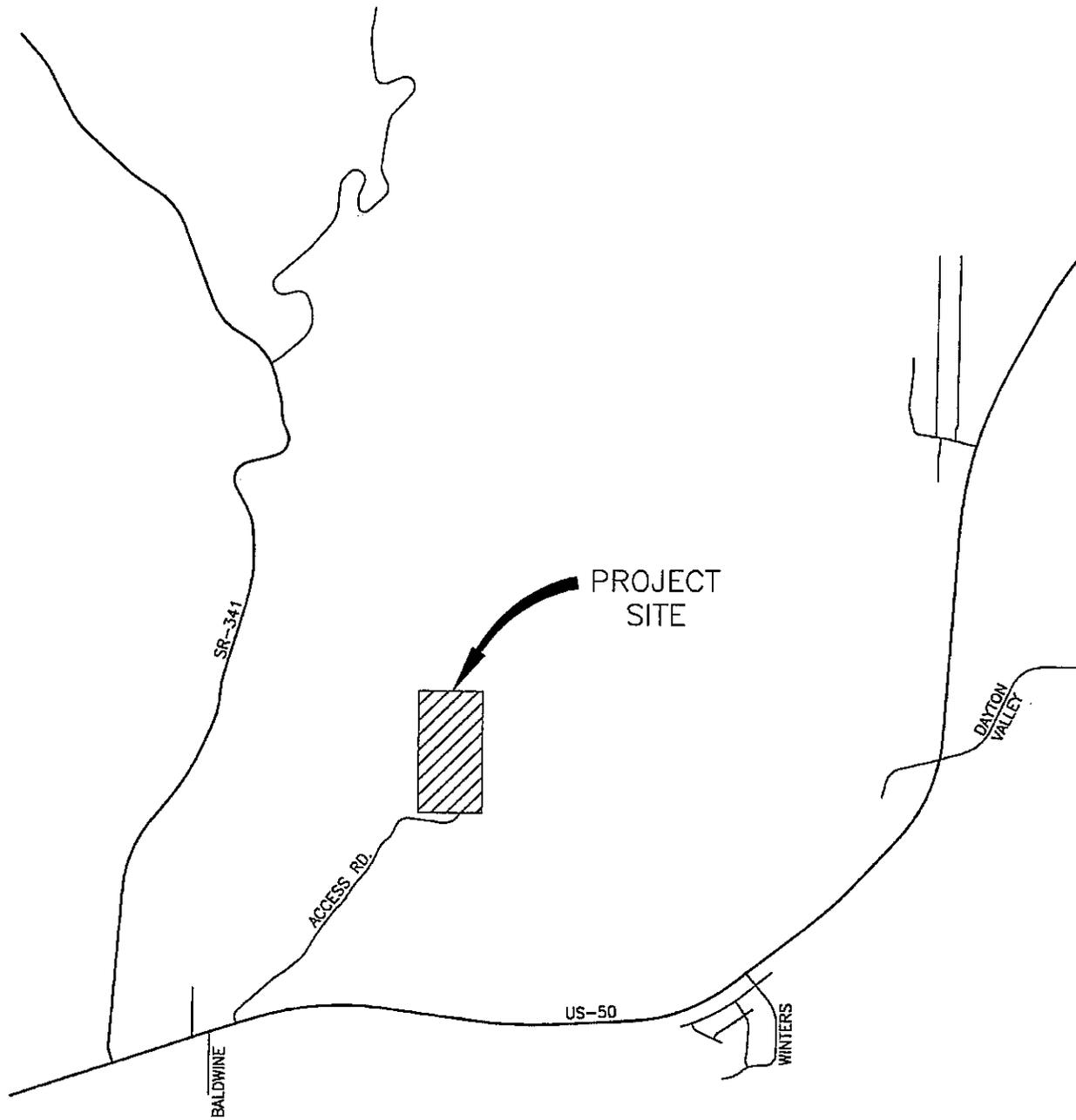
The project site is currently undeveloped land. Adjacent land is also undeveloped. The project will consist of two primary mining functions. The primary function of the mill is an ore processing operation. Ore will be trucked in from off-site and processed. During milling, usable aggregate will be separated and included in pre-cast concrete products manufactured in the associated aggregate and concrete pre-cast operation. These will be delivered off-site in small contractor trucks. Aggregate will also be trucked off-site from the operation.

EXISTING AND PROPOSED ROADWAYS AND INTERSECTIONS

US-50 is a four-lane roadway with two through lanes in each direction in the vicinity of the site. The speed limit is posted for 55 miles per hour in the vicinity of the access road intersection. Roadway improvements generally include paved shoulders with white edgelines, white lane lines, and a yellow center two-way left turn lane.

The access road is a gravel surface roadway with one through lane in each direction. The speed limit is not posted. Approximately 75 feet of the access road apron is paved north of US-50.

The US-50/Access Road intersection is an unsignalized three-leg intersection with stop sign control at the north approach. The north approach contains one shared left turn-right turn lane. The east approach contains one through lane and one shared through-right turn lane. The west approach contains one left turn lane and two through lanes.



GOLD CANYON MILL
VICINITY MAP
FIGURE 1

TRIP GENERATION

Trip generation volumes for the proposed mine operation were estimated based on employee and truck information provided by the project developer. The project will employ a total of 15 full-time workers distributed over one day shift. All employees will arrive during the AM peak hour and depart during the PM peak hour resulting in 30 trips per day with 15 trips occurring during the AM peak hour and 15 trips occurring during the PM peak hour.

The project is anticipated to generate an average of 8 semi-trucks per day or a combination of 5 semi-trucks and 10 three-quarter ton pick-up trucks per day. A worst case scenario will result in a total of 30 trips per day based on the 5 semi-trucks and 10 three-quarter ton pick-up trucks entering and departing the site per day. The semi-trucks will be limited to off-peak hours. The pick-up trucks are anticipated throughout the day with 2 pick-up trucks entering and departing the site during both the AM and PM peak hours.

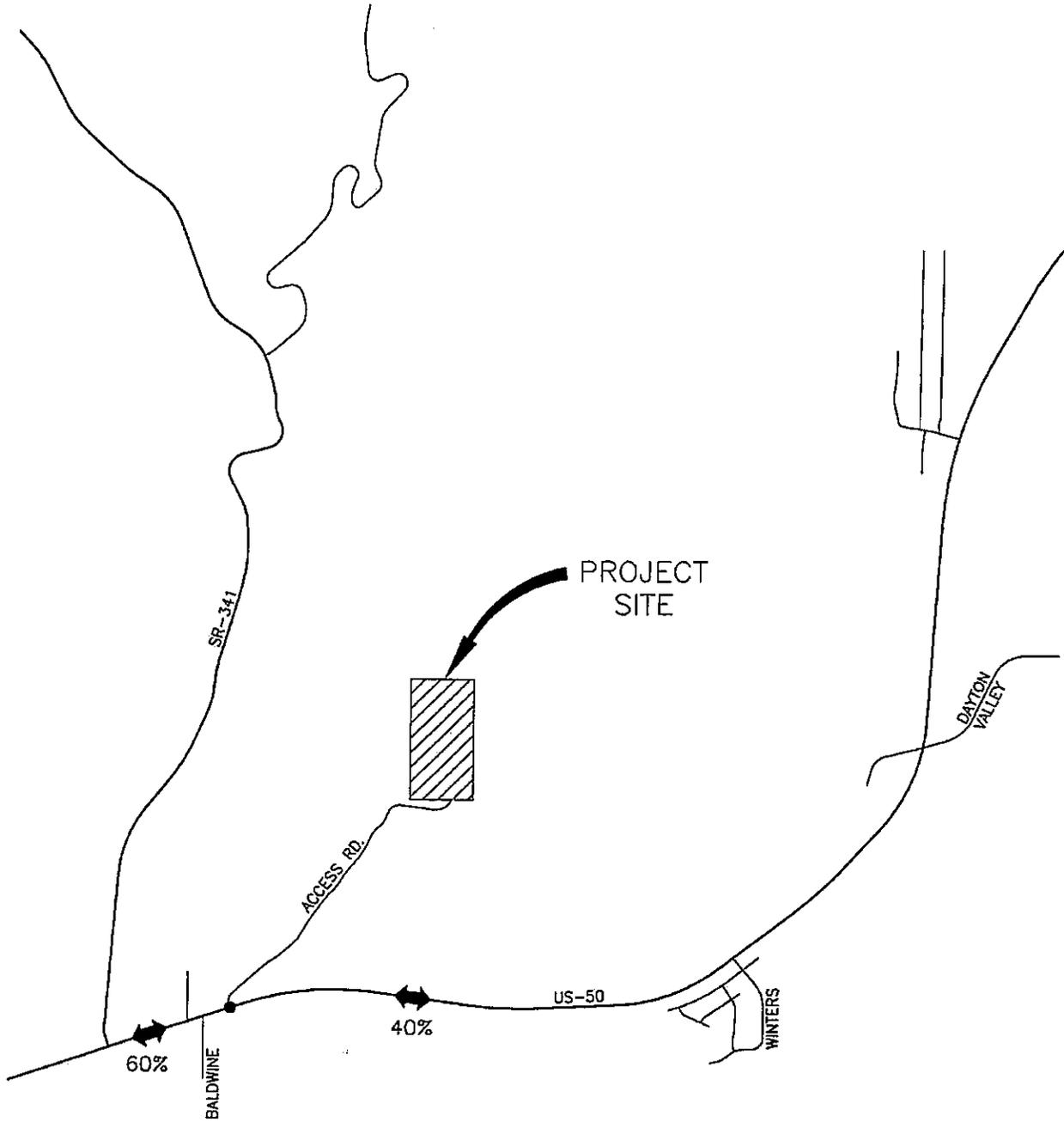
Trip generation was calculated for the weekday peak hours occurring between 7:00 AM and 9:00 AM and 4:00 PM and 6:00 PM, which correspond to the peak hours of adjacent street traffic. Table 1 shows a summary of the average daily traffic (ADT) volume and peak hour volumes generated by the proposed development.

LAND USE/VARIABLE	ADT	AM PEAK HOUR			PM PEAK HOUR		
		IN	OUT	TOTAL	IN	OUT	TOTAL
Employees	30	15	0	15	0	15	15
Pick-Up Trucks	20	2	2	4	2	2	4
Semi-Trucks	10	0	0	0	0	0	0
Total	60	17	2	19	2	17	19

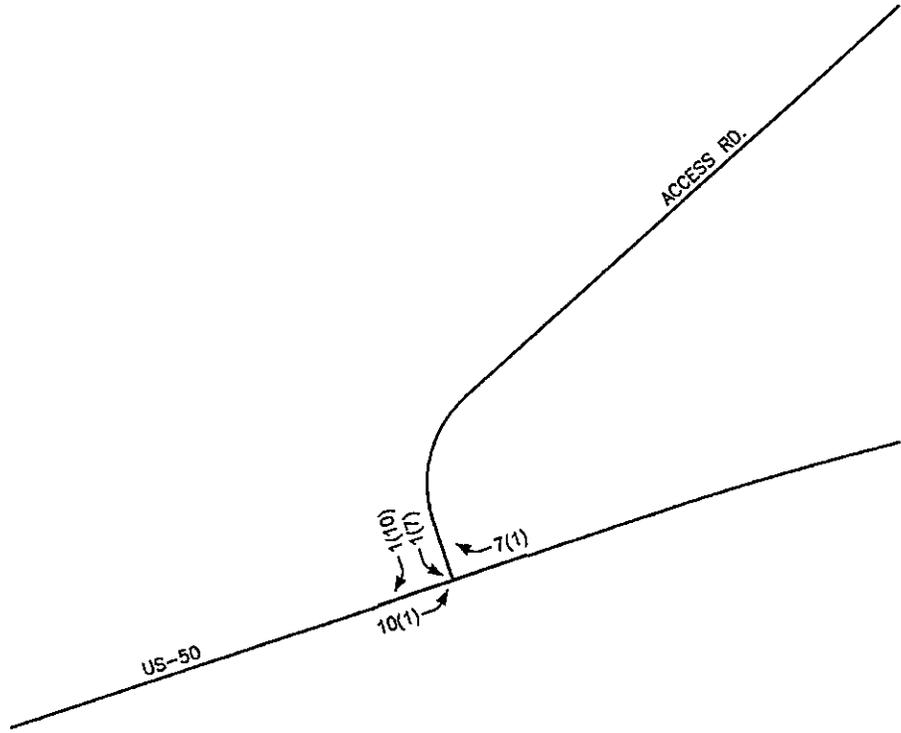
As shown in Table 1, the project is expected to generate 60 average daily trips with 19 trips occurring during the AM peak hour and 19 trips occurring during the PM peak hour.

TRIP DISTRIBUTION AND ASSIGNMENT

The distribution of the project traffic to the US-50/Access Road intersection was based on information provided by the project developer. The anticipated trip distribution is shown on Figure 2. The peak hour trips shown in Table 1 were subsequently assigned to the US-50/Access Road intersection based on the anticipated trip distribution. Figure 3 shows the trip assignment during the AM and PM peak hours.



GOLD CANYON MILL
TRIP DISTRIBUTION
FIGURE 2



LEGEND
— AM PEAK HOUR
(-) PM PEAK HOUR

GOLD CANYON MILL
TRIP ASSIGNMENT
FIGURE 3

EXISTING AND PROJECTED TRAFFIC VOLUMES

Figure 4 shows the existing traffic volumes at the US-50/Access Road intersection during the AM and PM peak hours. The existing AM and PM peak hour traffic volumes were obtained from traffic counts taken during April of 2016. Figure 5 shows the existing plus project traffic volumes at the US-50/Access Road intersection during the AM and PM peak hours. Figure 6 shows the 2036 base traffic volumes at the US-50/Access Road intersection during the AM and PM peak hours. The 2036 base traffic volumes were estimated by applying a 1.2% average annual growth rate to the existing traffic volumes. The growth rate was derived from historic traffic count data obtained from the Nevada Department of Transportation's (NDOT) Annual Traffic Reports for count station 190002 on US-50 east of SR-341. Figure 7 shows the 2036 base plus project traffic volumes at the US-50/Access Road intersection during the AM and PM peak hours.

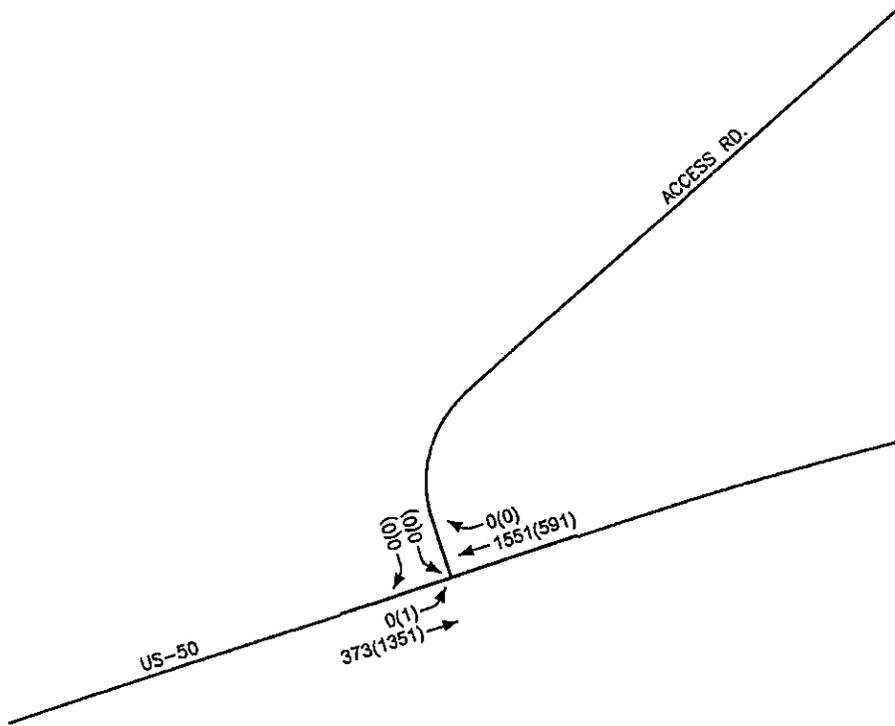
INTERSECTION TRAFFIC ANALYSIS

The US-50/Access Road intersection was analyzed for capacity based on procedures presented in the 2010 *Highway Capacity Manual (HCM)*, prepared by the Transportation Research Board, for unsignalized intersections, using the latest version of the Highway Capacity computer software.

The result of capacity analysis is a level of service (LOS) rating for each unsignalized intersection minor movement. Level of service is a qualitative measure of traffic operating conditions where a letter grade "A" through "F", corresponding to progressively worsening traffic operation, is assigned to the intersection minor movement.

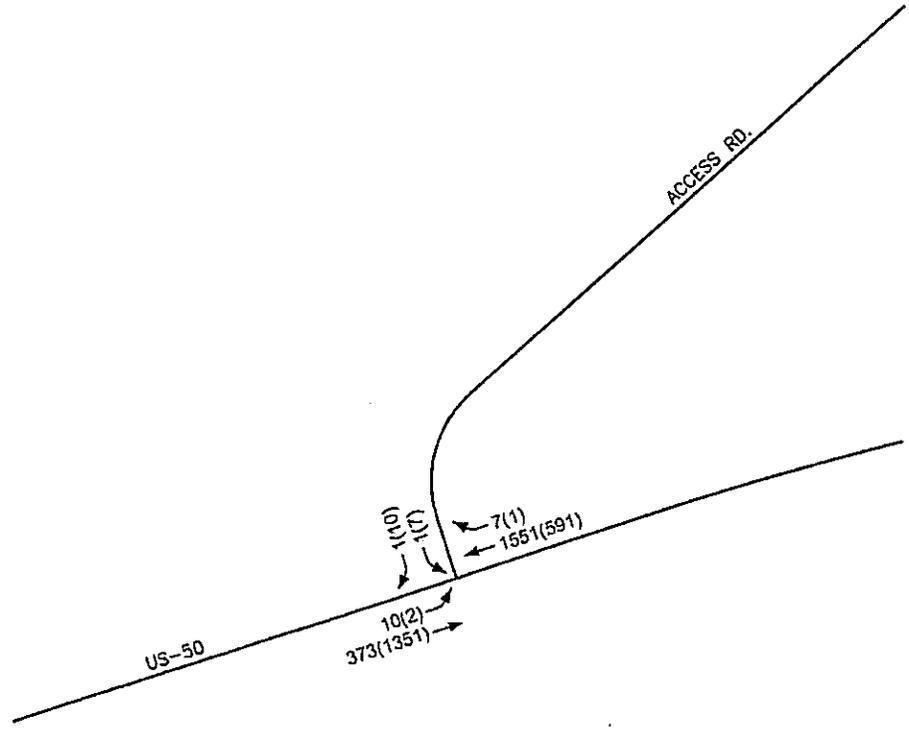
The *Highway Capacity Manual* defines level of service for stop controlled intersections in terms of computed or measured control delay for each minor movement. Level of service is not defined for the intersection as a whole. The level of service criteria for unsignalized intersections is shown in Table 2.

LEVEL OF SERVICE	DELAY RANGE (SEC/VEH)
A	≤ 10
B	>10 and ≤ 15
C	>15 and ≤ 25
D	>25 and ≤ 35
E	>35 and ≤ 50
F	>50



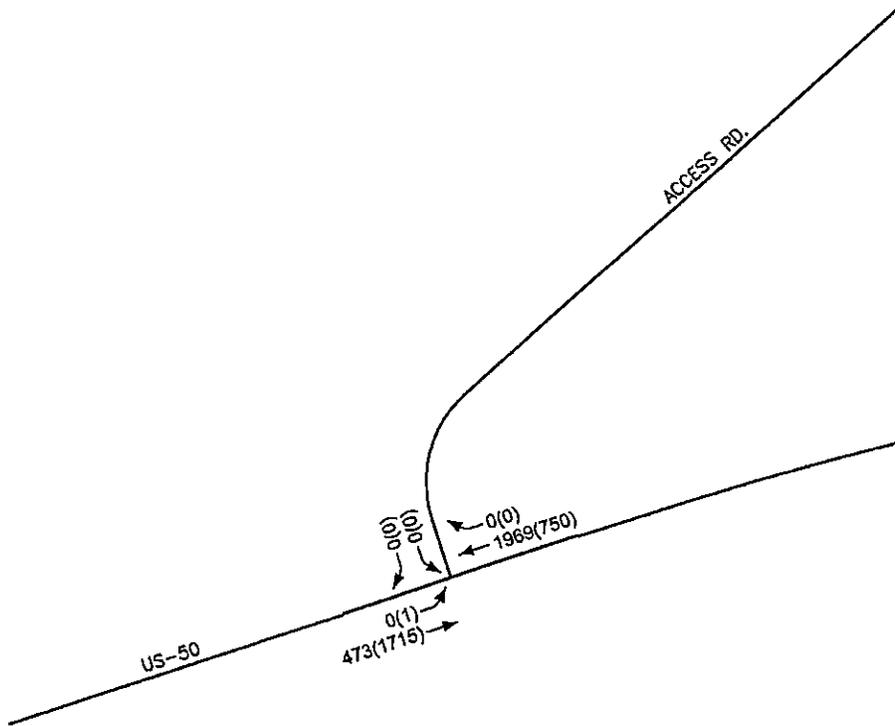
LEGEND
- AM PEAK HOUR
(-) PM PEAK HOUR

GOLD CANYON MILL
EXISTING TRAFFIC VOLUMES
FIGURE 4



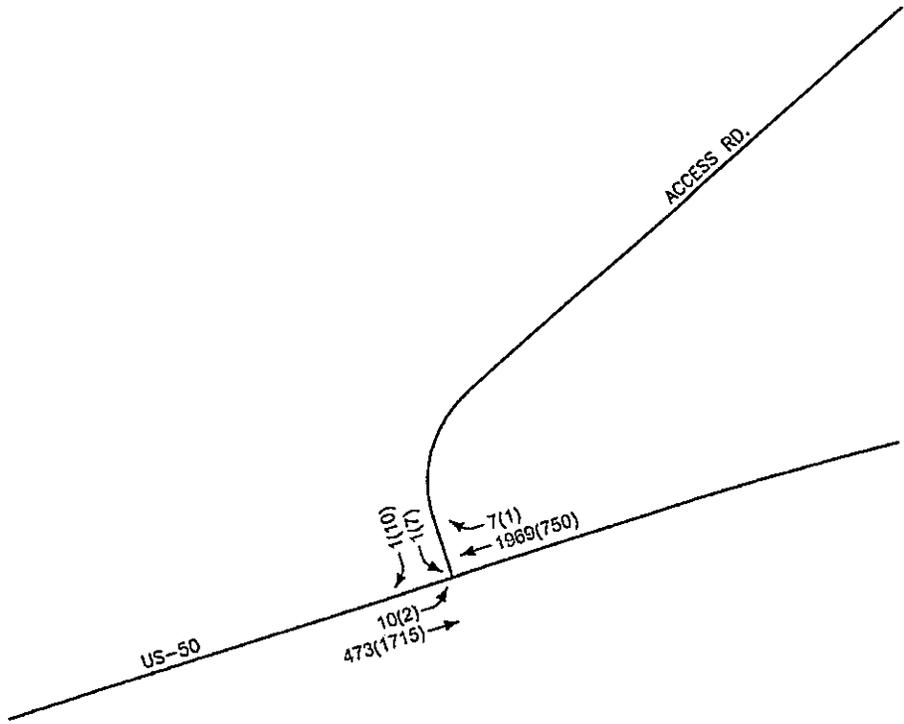
LEGEND
 - AM PEAK HOUR
 (-) PM PEAK HOUR

GOLD CANYON MILL
EXISTING PLUS PROJECT TRAFFIC VOLUMES
FIGURE 5



LEGEND
- AM PEAK HOUR
(-) PM PEAK HOUR

GOLD CANYON MILL
2036 BASE TRAFFIC VOLUMES
FIGURE 6



LEGEND
 - AM PEAK HOUR
 (-) PM PEAK HOUR

GOLD CANYON MILL
 2036 BASE PLUS PROJECT TRAFFIC VOLUMES
 FIGURE 7

Table 3 shows the level of service and delay results for the existing, existing plus project, 2036 base, and 2036 base plus project scenarios. The intersection capacity worksheets are included in the Appendix.

TABLE 3 INTERSECTION LEVEL OF SERVICE AND DELAY RESULTS								
INTERSECTION/MOVEMENT	EXISTING		EXISTING + PROJECT		2036 BASE		2036 BASE + PROJECT	
	AM	PM	AM	PM	AM	PM	AM	PM
US-50/Access Road								
Eastbound Left	A0.0	A8.9	C15.1	A8.9	A0.0	A9.5	C20.4	A9.5
Southbound Left-Right	A0.0	A0.0	E43.2	C20.6	A0.0	A0.0	F88.5	D31.9

US-50/Access Road Intersection

The US-50/Access Road intersection was analyzed for capacity as an unsignalized three-leg intersection with stop sign control at the north approach for all scenarios. The intersection minor movements currently operate at LOS A during the AM and PM peak hours. For the existing plus project volumes the intersection minor movements are anticipated to operate at LOS C or better except for the southbound left turn movement which operates at LOS E during the AM peak hour. For the 2036 base volumes the intersection minor movements operate at LOS A during the AM and PM peak hours. For the 2036 base plus project volumes the minor movements operate at LOS D or better except for the southbound left turn movement which operates at LOS F during the AM peak hour. The intersection was analyzed with the existing approach lanes for all scenarios.

The need for left and right turn acceleration lanes at the US-50/Access Road intersection was reviewed based on NDOT's access management standards. The access management standards indicate that acceleration lanes should be used on high speed (≥ 45 mph), high 20-year projected volume ($\geq 10,000$ vpd) roads when required by a traffic study, or when entering vehicles do not have a sufficient gap to enter traffic safely during the peak hour. US-50 is posted for 55 miles per hour and currently serves $\pm 18,500$ vehicles per day which exceeds the 45 mile per hour and 10,000 vehicle per day thresholds. The level of service for the shared southbound left turn-right turn movement is F during the AM peak hour which would indicate that sufficient gaps do not exist in the US-50 traffic stream.

NDOT's access management standards also indicate that acceleration lanes shall be considered for use on roads with restricted sight distance. Sight distance requirements were reviewed based on AASHTO's *A Policy on Geometric Design of Highways and Streets*. Approximately 1,045 feet of sight distance is required for a combination truck making the southbound to eastbound left turn movement from stop and approximately 850 feet is required for a combination truck making the southbound to westbound right turn movement from stop based on the 55 mile per hour speed limit on US-50.

Intersection sight distance was subsequently reviewed in the field based on a 3.5 foot driver's eye height, a 3.5 foot object height, and the driver's eye located 20 feet from the US-50 travel way. More than 2,000 feet of sight distance is available to the east and approximately 1,400 feet is available to the west which meets AASHTO sight distance requirements for the 55 mile per hour posted speed limit.

Left and right turn acceleration lanes at the US-50/Access Road intersection meet criteria based on the above discussion for speed, volume, and gap thresholds but are not required based on intersection sight distance. The trip assignment indicates that only one vehicle is anticipated for both the southbound left turn and southbound right turn movements during the critical AM peak hour when gaps do not exist in the US-50 traffic stream. Seven vehicles are anticipated for the southbound left turn movement and 10 vehicles are anticipated for the southbound right turn movement during the PM peak hour when sufficient gaps are anticipated in the US-50 traffic stream. These vehicles will not be semi-trucks due to the fact that semi-trucks are anticipated to be during off-peak hours. Based on these low traffic volumes coupled with sufficient intersection sight distance it is recommended that left and right turn acceleration lanes not be required at the US-50/Access Road intersection.

The need for an exclusive westbound to northbound right turn lane on US-50 at the project access road was reviewed based on NDOT's access management standards. The access management standards indicate that an exclusive right turn deceleration lane is required based on the 55 mile per hour speed limit on US-50. The right turn lane should include a minimum of 100 feet of storage length, a desirable deceleration length of 365 feet, and a desirable taper ratio of 20:1 per NDOT's access management standards.

The existing left turn lane at the west approach of the US-50/Access Road intersection was reviewed for storage and deceleration length. Less than 50 feet of storage length is required for the 2036 base plus project volumes based on NDOT's unsignalized intersection criteria of providing three minutes of storage length during the peak hour. However, NDOT's access management standards indicate that a minimum of 100 feet of storage length is required for left turn pockets. The access management standards also specify that desirable deceleration length for the 55 mile per hour speed limit on US-50 should be 365 feet for a total left turn lane length of 465 feet. The existing center two-way left turn lane extends over 1,200 feet to the west which will provide desirable storage and deceleration length. The center two-way left turn lane extends through Baldwin Lane which is located on the south side of US-50 approximately 400 feet west of the project access road. No vehicles were observed using Baldwin Lane during the traffic count periods.

RECOMMENDATIONS

Traffic generated by the Gold Canyon Mill will have some impact on the adjacent street network. The following recommendations are made to mitigate project traffic impacts.

It is recommended that any required signing, striping or traffic control improvements comply with Nevada Department of Transportation (NDOT) and Lyon County requirements.

It is recommended that the US-50/Access Road intersection be improved to include an exclusive right turn lane at the east approach containing a minimum of 465 feet of storage/deceleration length with a 20:1 taper.

