

County Commissioners:

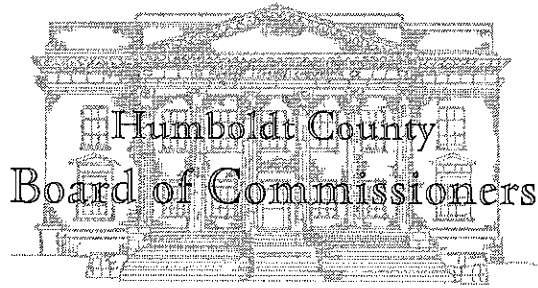
MIKE BELL, *Chairman*

JIM FRENCH, *Vice Chairman*

GARLEY AMOS

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County Administrator:
BILL DEIST

COURTHOUSE, ROOM 205
50 W. FIFTH STREET
WINNEMUCCA,
NEVADA 89445
Phone: (775) 623-6300
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August 24, 2012

Mr. Eric Noack
Bureau Chief of Waste Management
Nevada Division of Environmental Protection
901 South Stewart Street, Suite 4001
Carson City, Nevada 89701-5249

Re: Jungo Landfill – Questions regarding change of ownership of land

Dear Mr. Noack:

The Humboldt County Board of County Commissioners respectfully requests a representative of the Nevada Division of Environmental Protection to attend our next meeting on September 4, 2012. The purpose of this request is to answer questions that the Commission has concerning the change of ownership of the land for the Jungo Landfill. Below is a summary of information concerning the owner and operator of the project, as well as the financial assurance necessary from the entities. In addition, the Commission provides the specific questions which it would like to be addressed.

Pursuant to Nevada Administrative Code 444.677, the application for a permit to operate a class I landfill must include the name, location and mailing address of the site, the owner of the site, the operator of the site, and the authorized agent of the owner. In this case, the application prepared by Golder Associates provided that Jungo Land and Investments, Inc. would be the landfill developer and operator.

On February 12, 2007, Nevada Land & Resource Company, LLC recorded an Amended and Restated Notice of Non-Responsibility in the office of the County Recorder of Humboldt County, Nevada as Document No. 2007-1052 of Official Records. This Notice relates to the Lease and Option to Purchase with Jungo Land and Investments, Inc. and provides that it will not be responsible for any claims arising from work on the real property, among other things.

In December 2008, NDEP received a letter from the owner of the property, Nevada Land & Resource Company, LLC, dated November 19, 2008, stating that Jungo Land was leasing the property with an option to purchase.

In the February 7, 2011 letter from NDEP to Recology, General Comment No. 2. stated:

Please note that NAC 444.677(2) requires proof of ownership of the land be specifically owned by Jungo Land & Investments Inc. (JLII) for the purposes of establishing the responsibility of Financial Assurance. The current documentation (Appendix A Operations Plan) shows Nevada Land and Resource Company LLC (NLRC) as the current owner. Prior to issuance of the Permit NLRC must either transfer the property to JLII, or NLRC would be identified as the owner and JLII will be identified as the operator. In this event, NLRC would be the responsible financial party and necessitate submission of Financial Assurance for the Closure and Post Closure for the Site.

The second paragraph of section 1.1 Site Description of the Plan of Operations – Revision 4, dated April 2011 of the Application for Landfill Permit stated:

The facility will be operated by JLII in accordance with applicable State of Nevada solid waste regulations. The land is currently owned by Nevada Land and Resources, Inc. but will be acquired by JLII prior to development. JLII currently has a leasehold interest with an option to purchase the property, which JLII plans to exercise once the necessary State permits have been obtained. Property ownership documents will be maintained in the landfill operating record.

The Commission has been informed that sometime prior to November 30, 2011, Nevada Land & Resource Company, LLC was purchased by Conduit, LLC. In addition, Conduit, LLC created subsidiary LLC's having the names of New Nevada Land, LLC and New Nevada Resources, LLC. On November 30, 2011, Nevada Land & Resource Company, LLC recorded various documents which transferred numerous properties to New Nevada Land, LLC and transferred the mineral rights associated with its properties to New Nevada Resources, LLC.

As it relates to the Jungo Landfill, the property which is subject to the permit, consisting of section 7 of Township 35 North, Range 33 East, M.D.B.&M., was transferred, as well as numerous other parcels of land on November 30, 2011 from Nevada Land and Resource Company, LLC to its sister subsidiary, New Nevada Lands, LLC, by the Grant Bargain and Sale Deed recorded on November 30, 2011, in the office of the County Recorder of Humboldt County, Nevada as Document No. 2011-6142 of Official Records. On January 24, 2011, the same Grant Bargain and Sale Deed was re-recorded to correct the legal description on the

original Deed, in the office of the County Recorder of Humboldt County, Nevada as Document No. 2012-466 of Official Records.

Nevada Land and Resource Company, LLC assigned its rights in the Lease Agreement with Option to Purchase for the Jungo Landfill property, among other things, to its sister subsidiary, New Nevada Lands, LLC, in the Assignment and Assumption of Leases and Agreements recorded on November 30, 2011, in the office of the County Recorder of Humboldt County, Nevada as Document No. 2011-6144 of Official Records. On January 24, 2011, the same Grant Bargain and Sale Deed was re-recorded to correct the legal description on the original Deed, in the office of the County Recorder of Humboldt County, Nevada as Document No. 2012-467 of Official Records.

The mineral rights on the Jungo Landfill property, as well as the mineral rights to other properties, were transferred from Nevada Land and Resource Company, LLC to its sister subsidiary, New Nevada Resources, LLC, by the Grant Bargain and Sale Mineral Deed recorded on November 30, 2011, in the office of the County Recorder of Humboldt County, Nevada as Document No. 2011-6139 of Official Records. On January 24, 2011, the same Grant Bargain and Sale Mineral Deed was re-recorded to correct the legal description on the original Deed, in the office of the County Recorder of Humboldt County, Nevada as Document No. 2012-464 of Official Records.

On February 29, 2012, the NDEP issued the Class 1 Solid Waste Disposal Site Permit for the Jungo Landfill. The permit lists Nevada Land & Resource Company, LLC as the owner of the property, not New Nevada Lands, LLC. The permit also identifies Recology as the operator, rather than Jungo Land & Investments, Inc. as indicated in the application.

Section 2.2 of the Permit states "This Permit may be transferred to a subsequent owner or operator only if the solid waste management authority approves the transfer based on documentation of financial responsibility provided by the new owner or operator."

Based on the above, the Commission specifically asks the following questions:

1. Is the NDEP Class 1 Solid Waste Disposal Site Permit No. SW495REV00 valid? If so, to whom?
2. Has New Nevada Lands, LLC submitted evidence of financial responsibility for this project?
3. Will the NDEP allow New Nevada Lands, LLC to alter the permit after the fact?

4. Will the NDEP waive the provisions outlined in section 2.2 of the Permit concerning transfers?
5. Who will provide the financial assurances and post closure trust outlined in the permit as result of this change in ownership?
6. Will the NDEP inquire as to why the transfer of ownership in the property was not previously disclosed as required by the NAC?
7. What authority exists for the NDEP to initiate any changes to the permit, instead of the applicants requesting the amendments?

Humboldt County believes that it is important to have the answers to these questions prior to negotiating any host agreement to ensure that the correct parties are participating in the discussions.

Finally, please find enclosed additional questions which were submitted by an individual Commissioner and members of the public.

Thank you in advance for your assistance in this matter and the Commission hopes that you or someone from NDEP will be able to attend the meeting on September 4, 2012.

Sincerely,

HUMBOLDT COUNTY BOARD OF COUNTY COMMISSIONERS

By: Mike Bell
Mike Bell, Chairman

By: Jim French
Jim French, Vice-Chairman

Enclosures

August 21, 2012

I respectfully submit the following questions to the Nevada Department of Environmental Protection regarding the Jungo Landfill Permit #5SW495REVOO Solid Waste Disposal Class 1, and Air Quality Permit #AP4953-2525.

1) In February of 2012, your department issued Class 1 Solid Waste Permit # SW495REVOO to Nevada Land and Resources as owner, and Recology as operator of the site. Neither Nevada Land and Resources nor Recology have obtained all local land use permits from Humboldt County, specifically a Conditional Use Permit. This is required by Nevada Administrative Code 444.678. How can this permit be valid?

2) The owner of Permit #SW495REVOO, Nevada Land and Resources, is no longer the owner of the section of land permitted (Parcel # 05-411-07). The property known as the site of Jungo Landfill has changed ownership. A grant, bargain and sale deed was recorded in the office of the Humboldt County Recorder, document dated 11/30/11. The property acknowledged as the site is now owned by New Nevada Lands, L.L.C., a Mississippi limited liability company. New Nevada Lands L.L.C. is not a party to the permit. The permit was issued February 29, 2012 after the change of ownership. New Nevada Lands has not complied with NAC 444.678. Local land use requirements by Humboldt County have not been met. Who is the responsible party? How can this permit be valid?

3) Regarding Air Quality Permit #AP4953-2525: this permit was issued to Jungo Land and Investments Inc. on 3/5/10 and subsequently appealed to the State Environmental Commission which upheld the NDEP decision on 5/21/10. This permit is non-transferrable under NAC 445B.287. Neither the owner nor the operator of Solid Waste Class 1 Permit #SW495REVOO has obtained a required Air Quality Permit. How can the permit be valid?

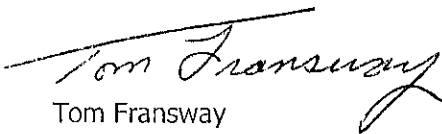
4) Humboldt County retained Dr. G. Fred Lee and Associates to prepare a technical review of application #SW495REVOO as it relates to public health and ground water quality. A report was prepared by Dr. Lee and dated 12/5/2011.

The County Commission voted unanimously on 12/14/11 to submit Dr. Lee's report as Humboldt County's official comments regarding the application, and subsequently hand delivered the document and official letter to the NDEP on or before the comment deadline.

I can find no evidence that Dr. Lee's report was discussed or considered as testimony to the permit application. This document was paid for by the taxpayers of Humboldt County. Did NDEP receive Dr. Lee's report entitled "Review of Potential Public Health and Ground Water Quality Impacts of the Proposed Jungo Landfill" and Humboldt County's letter of validation? Why was the report not considered as Public Comment in the process?

Thank you for your timely reply to these questions.

Respectfully submitted,


Tom Fransway
Humboldt County Commissioner

Karen Bannister

From: Bill Deist <administrator@hcnv.us>
Sent: Tuesday, August 21, 2012 1:10 PM
To: admin3@hcnv.us
Subject: Fw: Proposed Jungo landfill ownership questions for NDEP
Attachments: Ownership snafu.doc

additional questions

----- Original Message -----

From: Richard Cook

To: administrator@hcnv.us

Cc: jlfrench6472@sbcglobal.net

Sent: Monday, August 20, 2012 6:12 PM

Subject: Proposed Jungo landfill ownership questions for NDEP

Attached please find some questions that I have for NDEP regarding ownership of the proposed landfill site as was directed at today's Board of Commissioners meeting. Thank you, Richard Cook

Please submit these questions to NDEP regarding the ownership snafu of the proposed Jungo landfill.

1. Regulations mandate that any change in ownership be reported to NDEP in a reasonable amount of time. Do you believe that it is "reasonable" that the site changed hands from Jungo Land and Investments, Inc. to New Nevada Lands, a Mississippi investment company, two months prior to the permit being issued and has yet to be reported almost nine-months later?

2. Recology has a long history of corruption with several people actually going to jail; just last month retired California Superior Court Judge, Quentin Kopp, called Recology an "untrustworthy company" and "a virtual criminal enterprise," (<http://www.fogcityjournal.com/wordpress/4904/fppc-rejects-garbage-company-ethics-complaint-against-superior-court-judge/>). Is there nothing in Nevada Regulations about not issuing/revoking state permits on the basis of moral turpitude?

3. Nevada landfill regulations rely heavily on owner/operator self-reporting. In light of Recology's failure to report something as significant as a change in ownership does NDEP plan to increase their monitoring of Recology's compliance with all applicable laws and regulations? For example, NDEP does not appear to have ever independently verified any information that has been provided by Golder Assoc., Jungo Land and Investments or Recology with the result that many among the knowledgeable public think of NDEP as inept and some are concerned about a possible criminal conspiracy. Lets fact it, an "untrustworthy...virtual criminal enterprise," cannot be relied upon to self-report in the advent of collapsing cells or ground-water contamination.

4. Many people in this community believe that NDEP has demonstrated an intractable allegiance to Recology in spite of overwhelming public opposition to the project such as waiving the 100' to groundwater requirement or continuing to claim that the prevailing winds blow away from Winnemucca when Berger evidenced 10,000 years of active sand-dune migration to demonstrate the opposite or failing to mention the November 2010 ballot initiative limiting the size of landfills in Humboldt County in response to question #19 on the "NDEP Response to Specific Comments" document. What is the basis of this intractable allegiance? Is NDEP responding to political pressure? Has NDEP been told to permit this project by higher authority? Do any employees of NDEP stand to gain by permitting this project or lose if the permit is revoked? Have any NDEP employees already gained in the permitting of this project?



From the Desk of: **Fred Baryol**

August 21, 2012


TO: Bill Deist / County Administrator
Humboldt County, Nevada
50 W 5th St, County Courthouse 205
Winnemucca NV 89445
Phone: 775 623-6300
Fax: 775 623-6302
administrator@hcnv.us

Re: Request for an answer to my question which is:

I question the validity of the original Conditional Use Permit (CUP) given this time line of events: The CUP was issued even though, at the time, county ordinances prohibited the acceptance of solid waste from outside the landfill district for disposal at sites other than Humboldt County Regional Landfill (At the time the CUP was issued, April, 2007, local ordinances only allowed for one landfill.) The City attorney authored a change to that ordinance to allow for a second landfill which was approved October 2007. How is it that the original CUP has standing or should have even been issued given existing local ordinances at the time of issue?

If you have questions or need clarification of my question, please feel free to contact me at:
(775) 625-1403

Respectfully submitted,


Alfredo Baryol
Citizen of Humboldt County NV

Cc: Michael Macdonald; Humboldt County District Attorney
PO Box 909 Winnemucca NV 89446