

Mr. Baryol,

Based on the request of the Humboldt Development Authority, we used our proprietary software to run an economic impact analysis **based on the spending information provided by the company**. The economic impact modeling software is based on an input-output model called IMPLAN. It is a widely recognized modeling matrix series from a group based out of Minnesota. You will likely find a plethora of information about both input-output models and the IMPLAN model in particular online.

In response to your questions, I don't know of any situation where an actual situation is compared with a model estimate or any existing mining impact analysis.

I hope this was helpful.

Best,

**Lindsay Anderson**  
**Director of Business Development & Research**  
**Nevada Commission on Economic Development**

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**From:** Baryol Fred [<mailto:fbaryol@yahoo.com>]  
**Sent:** Thursday, December 03, 2009 2:38 PM  
**To:** Lindsay Anderson  
**Subject:** Economic impact analysis data for the Jungo landfill project

**Ms. Anderson,**

I am writing to inquire about economic impact analysis data recently presented to the Humboldt Development Authority. The information was part of a presentation regarding the beneficial impacts of a proposed landfill in Humboldt County.

This information also was part of a cover story in the Humboldt Sun from 12/1/09, and your name was referenced as the analyst.

The information presented in relation to the proposed economic benefits of the landfill seems almost too good to be true. I have questions regarding the reported substantial financial impacts as direct and indirect effects of a company with 29 full-time employees involved in a project with an initial construction phase, also. In order to better understand the meaning of the numbers presented, I would like to know:

\* Have there been any similar analysis done for other projects in a rural community (specifically in NV) where actual data has been compared with the modeled information as a type of evaluation/assessment of modeling accuracy?

\* Have analysis been done for mining endeavors in Winnemucca or other Northern Nevada communities? If so, is that information available?

I would appreciate any information you may be able to share that would more clearly explain and/or confirm the information presented and reported in Humboldt County regarding the proposed landfill operations.

When I use (what I believe are) the same algorithms you used and apply them to the mining industry the numbers come out incredibly high. I am including a quick overview of the numbers I came up with along with a comment or two.

"If the numbers, released by NCED, were true the streets of Winnemucca would be paved in GOLD!"

I used the same calculation process applied to NCED's study on the Recology proposal and came up with some very interesting results. The numbers below represent the economic impact, to our community for any given year of operation, by the mining industry in Humboldt County.

Economic impact each year of operation .....	\$286,593,450
Economic impact any year of new mine development .....	\$2,848,738,893
Local revenue impact through sales/property taxes\$	141,777,326
State revenue impact through sales, property and MBT taxes...	\$77,052,894

By the way, if you didn't catch it, the smallest number is 77 Million dollars

I guess my question is where has all that money gone?

The Link below contains the most current Humboldt County Employment Information.

<http://www.justia.com/us-states/nevada/humboldt-county/#employment>

Thanks in advance for your help in this matter.

Fred Baryol

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