

Assembly

**GOVERNMENT AFFAIRS COMMITTEE
MINUTES OF THE MEETING
FEBRUARY 22, 1973**

MEMBERS PRESENT: CHAIRMAN DINI
VICE-CHAIRMAN ULLOM
ASSEMBLYMAN BROOKMAN
ASSEMBLYMAN MAY
ASSEMBLYMAN SMITH
ASSEMBLYMAN GOJACK
ASSEMBLYMAN YOUNG
ASSEMBLYMAN FORD
ASSEMBLYMAN GETTO

ALSO PRESENT: ASSEMBLYMAN FOOTE
ASSEMBLYMAN TELLO
JOE ANDERSON, STATE LIBRARIAN
RAE CLEMISON, STATE LIBRARY
MARY FRAZZINI,
MAYOR LILLARD, CITY OF SPARKS
ROBERT WARREN, IMA
PAUL FREITAG, SPARKS CITY ATTORNEY
(GORDON L. FOOTE)
PETE LEMBERS)
JIM VENNON) SPARKS CITY COUNCIL
CARL STEINER)
CHALORIS GOODWIN, SPARKS CITY CLERK
GARRY OWENS, LEGISLATIVE COUNSEL BUREAU

AB 257 - Creates division of cooperative services under supervision of State Librarian.

Mr. Kurtz of the State Library showed the committee a film on the work of the cooperative service center.

Mrs. Clemison told the committee that the center has been financed by the federal government plus fees for processing books. The federal funding has been cut off so that the center must be under the State Library if it is to continue to operate. She told the committee that in addition to serving all local libraries in the state, the center also services the state institutions.

Assemblyman Ford asked if the money required to operate the center was included in the budget.

Mrs. Clemison said the only money requested was for salaries and a separate request for funds would be presented to the Ways and Means Committee.

Assemblyman Smith moved "DO PASS AND RE-REFER TO WAYS AND MEANS
Assemblyman Brookman seconded the motion.
The motion carried .

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AB 7 - Amends the new city charter of the city of Sparks

Assemblyman Foote introduced Ms. Goodwin, City Clerk of Sparks who presented proposed amendments to the committee. It was explained that the city of Sparks has a unique government in that it has a city manager, mayor and city council. The new charter would work well under a city manager-city council form of government. Assemblyman Foote and other Sparks officials stated that they would prefer that they be allowed to operate under the old charter until the next session.

Assemblyman Getto asked if the amendments requested by the city of Sparks were made, and did not go into effect until July, 1974, it would help the city government.

Assemblyman Brookman asked why the city of Sparks had waited so long to voice their objections to the new charter.

Mayor Lillard explained that since Sparks was a city where all elected officials were elected at the same time without hold-overs, the new officials did not realize that the charter would be changed in July, 1972 until recently.

After a long discussion concerning the unworkability of the new charter, the chairman decided that the committee would hold a special workshop on AB 7, on Thursday, March 1, at 7:00 PM. At that time it is hoped that something can be worked out that will satisfy the city of Sparks and allow the new charter to go into effect.

COMMITTEE ACTION

AB 8 Assemblyman Young moved "DO PASS AS AMENDED"
Assemblyman Getto seconded the motion.
The motion carried unanimously.

AJR 5 - Assemblyman Getto moved "DO PASS"
Assemblyman May seconded the motion.
Assemblymen Ullom, Brookman and Young voted No.
The motion carried.

AB 70 Assemblyman Ford moved that the bill be amended so that the question can be presented to the people by election or that the people can indicate their feelings. Assemblyman Ford moved AMEND AND DO PASS"
Assemblyman Ullom seconded the motion.
The motion was unanimously carried.

AB 222 - Assemblyman Getto moved "INDEFINITE POSTPONEMENT"
Assemblyman May seconded the motion.
The motion carried unanimously.

DANIEL J. DEMERS
ASSEMBLYMAN
ASSEMBLY DISTRICT NO. 1 (CLARK)
231 EDELWEISS PLACE
MT. CHARLESTON
LAS VEGAS, NEVADA 89100



COMMITTEES
MEMBER
TAXATION
COMMERCE

Nevada Legislature

FIFTY-SEVENTH SESSION

February 22, 1973

The Honorable Joseph Dini
Chairman, Committee on Government Affairs
Assembly Chambers
Carson City, Nevada 89701

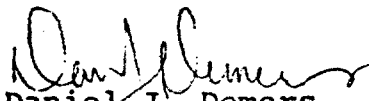
Dear Chairman Dini:

Please accept this letter as a formal request that my bill, AB 222, be indefinitely postponed.

This request comes pursuant to discussions that I have had with Mr. Joe Klenke, Purchasing Agent with the Clark County School District and Mr. Joe Cathcart, Purchasing Agent for the City of Las Vegas. It appears that the purchasing agents in Clark County would prefer legislation that would authorize them to sit as a study commission over the next two years and report back to the 58th Session of the Nevada Legislature with more specific legislation which would accomplish the same ends as AB 222.

Enclosed is a document prepared by the Research Division of the Legislative Counsel Bureau at my request. I believe that this report's contents will satisfy you and the members of the Committee that industrial purchasing by the local governments in our urban counties is a necessity and would in fact save our taxpayers considerable amount of money. At the same time, I personally feel AB 222 is premature as experts in the field of purchasing in Clark County wish to study the concept and develop a system they can live with and would be truly beneficial to our State.

Respectfully submitted,


Daniel J. Demers
Assemblyman

DJD:jd
enc.

February 21, 1973

AB 222

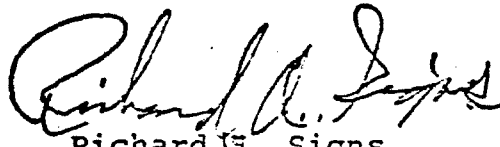
Dear Assemblyman Demers:

The enclosed pages contain information pertaining to joint purchasing programs and fulfills your various requests to the present.

As it is not my position to advocate one side or another, I am simply presenting to you the information you have requested as it has been made available to me. You may, however, find it useful to your purposes to compare the total costs and number of employees for Washoe County with the total figures for Oklahoma City and the Oklahoma City School district. I believe the rest of the enclosed materials are organized in such a way as to make interpretation a fairly easy matter; you will probably find a number of conclusions to derive therefrom.

If further questions arise, do not hesitate to notify me.

Sincerely,



Richard A. Signs,
Research Technician

RHS/ljo

JOINT PURCHASING PROGRAMS AND COMPARISONS

1. Gasoline and automobile purchases by the six main governmental entities within Clark County:

1971 Fiscal Year

	Purchased Gallons of Gasoline	Cost per Gallon	Cars and light trucks purchased	Average cost per car or light truck
Las Vegas	reg. and prem. <u>579,770</u>	.2212	cars 85 trucks 10 total 95	car \$3,200 truck \$2,500
Henderson	reg. and prem. <u>100,000</u>	.23	cars 10 no trucks	car \$3,253
Boulder City	reg. 9,087 prem. 19,427 total <u>28,514</u>	.2325 .2525	cars 2 no trucks	car \$3,924
North Las Vegas				
Clark County	reg. and prem. 750,000	.22-.24 (.23) (Diff. comp.)	cars 121 trucks 19 total 140	car \$3,399 truck \$3,300
Clark County School District	reg. 49,395 prem. 74,542 total <u>123,937</u>	reg. .2105 prem. .2105 aver. .2105	cars 3 trucks 5 total 8	car \$3,622 truck \$2,838

(Price per gallon includes Nevada State tax of 6 cents)

Amount of goods purchased by local Clark County entities through the Nevada State Purchasing Division:

2. Gasoline and automobile purchases by the four main governmental agencies within Washoe County:

1971 Fiscal Year

	Purchased Gallons of Gasoline	Cost per Gallon	Cars and light trucks purchased	Average cost per car or light truck
Washoe County	266,460	regular and premium .22	cars 17	\$2,550
Washoe County School Dist.	135,963	.324 (credit card)	cars 5	\$3,693
City of Reno	282,905	.229	cars 20 trucks 5	cars \$2,970 trucks \$3,008.60
City of Sparks	61,674 prem. 33,892 reg.	reg. .2086 prem. .2336	cars 3 trucks 2	cars \$3,548 trucks \$2,743

(Price per gallon includes Nevada gas tax of 6 cents and Washoe County gas tax of 2 cents, NRS 373)

Amount of goods purchased by local Washoe County government entities through the Nevada State Purchasing Division:

1971 Fiscal year.....\$128,004.92

3. Oklahoma City (population of 368,856) and the Oklahoma City School District made the following purchases of gasoline and automobiles:

1971 Fiscal Year

	Purchased Gallons of Gasoline	Cost per Gallon	Cars and light trucks purchased	Average cost per car or light truck
Oklahoma City	reg. 2,500,000 prem. 75,000 total 2,575,000	reg. .17 prem. .19 aver. .18 with 6 1/2 cents gas tax	cars 100 light trucks 100 total 200	cars 3,290 trucks 2,500 aver. 2,890
Oklahoma City School Dist.	reg. 325,000 and prem. total	reg. .1134 prem. .13 aver. .12 without 6 1/2 cents gas tax	cars 0 light trucks 7 total 7	cars -0- trucks 3,698 aver. 3,698

(The State of Oklahoma levies a 6 1/2 cent gas tax per gallon on all gasoline purchases except those fully exempted for pupil transportation. Approximately 3/4 of the Oklahoma City School District's gasoline purchases are gas tax exempt. In the above table, the price quotations for Oklahoma City include the 6 1/2 cents gas tax while the price quotations for the Oklahoma City School District read with the gas tax exempted.)

4. Cost of purchasing agencies and number of personnel of local governments of Washoe County:

Cost of purchasing program Number of employees

Washoe County	\$47,263	9
Washoe County School Dist.	\$36,753	3
City of Reno	\$31,447	3
City of Sparks	\$26,153	2
Totals:	\$141,616	17

5. Cost of purchasing agencies and number of personnel for Oklahoma City and the Oklahoma City School District:

	Cost of purchasing program	Number of personnel
Oklahoma City	\$173,500	12
Oklahoma City School Dist.	\$ 61,753	8
Totals:	<u>\$235,253</u>	<u>20</u>

6. Washington D.C. Metropolitan Council of Governments joint purchasing program: information related by Donald Berkheimer.

- Number of participating local government agencies: 15.
- Types of commodities: selected commodities with high dollar volume (firehose, gasoline, fire chairs, sensing, school supplies)
- Benefits of joint purchasing:
 - A. Quantity of products exact.
 - B. Clause in bid provides all smaller cooperating jurisdictions the opportunity to procure the same goods at lower prices - the same prices as paid by the largest purchasing or joint purchasing entity.
 - C. Better trade-off of purchasing information.
 - D. Upgrading of product quality. Firemen's coats have not improved in construction for 40 years. Because of the joint purchasing program, industry has been more responsive and as a result, has upgraded the quality of the product.
- Savings: in 1971 fiscal year, saved \$30,000 in firehose alone.
- Program has been in effect 1 year.

7. Bergen County, New Jersey joint purchasing program: information related by Robert Belmonte.

- Commodities: all of common use - 42 in all.
- Agencies served: 70 municipal governments (none over 45,000 in pop.
73 boards of education and school districts.
143 total
- Procedure: commodities purchased in bulk. A questionnaire is sent to all participants which requests a list of desired products. The questionnaires are returned to the county joint purchasing officer which sets forth a proposal from which to take bids. All government jurisdictions are listed in the proposal along with the number and kinds of commodities.

- Results: backout rate is 10% at most; participation is normally 95% of original proposal.
- Justification: the "price extension clause" in the purchase contract stipulates that all smaller governmental jurisdictions are to receive the same rate of savings or price on all purchases as the original bargaining unit. A notice of prices is literally broadcasted to all smaller units of government apprising them of specific bid quotations. This is a voluntary program - mutual benefits keep this program growing and enlarging.
- Savings: while gasoline prices in the county range from 26 cents to 40 cents per gallon, the joint purchasing program has resulted in the procurement of premium gasoline at 14 cents per gallon. There has been a savings in fuel oil at 12% per year. A net savings in fiscal year 1971 of \$500,000 was confirmed by Mr. Robert Belmonte, chief purchasing agent for the program. A savings of 1 million dollars has been projected for the 1975 fiscal year.

8. Los Angeles County joint purchasing program: information related by W. A. Perez, head deputy purchasing agent.

- Procedure: a questionnaire is sent to all participants, one proposal established for all agencies and with huge volume. Bids are accepted on the proposal.
- Commodities: gasoline, electric lamps, tires, hacksaw blades, etc.
- Justification:
 - A. No benefit to Los Angeles County but it has measurably improved public relations with smaller communities.
 - B. Information trade-off.
 - C. Increased technical advantage in purchasing. Better quality of product for the money for all except the county.
- Savings: Gasoline purchases in fiscal year 1971 amounted to 23,000,000 gallons of gasoline at 16 - 18 cents per gallon.

ASSEMBLY

AGENDA FOR COMMITTEE ON GOVERNMENT AFFAIRS

Date 2/22 Time 2:00 PM Room 214

Bills or Resolutions
to be considered

Subject

Counsel
requested*

A. B. 7

SUMMARY—Amends new charter of the City of Sparks, providing for deputy city clerk and making technical changes. Fiscal Note: No. (BDR S-208)

A. B. 257

SUMMARY—Creates division of cooperative services, under supervision of state librarian. Fiscal Note: No. (BDR 33-1015)

*Please do not ask for counsel unless necessary.

HEARINGS PENDING

Date _____ Time _____ Room _____
Subject _____

Date _____ Time _____ Room _____
Subject _____

ASSEMBLY

ADDITION TO AGENDA FOR COMMITTEE ON GOVERNMENT AFFAIRS

Date 2/22 Time 2:00 PM Room 214

<u>Bills or Resolutions to be considered</u>	<u>Subject</u>	<u>Counsel requested*</u>
A. B. 70	SUMMARY—Empowers board of county commissioners in smaller county to increase its number. Fiscal Note: No. (BDR 20-538)	
A. J. R. 5	SUMMARY—Proposes to amend Nevada constitution to permit county governing bodies to fix compensation of county officers. Fiscal Note: No. (BDR C-536)	

*Please do not ask for counsel unless necessary.