

SENATE COMMITTEE ON FEDERAL, STATE AND LOCAL GOVERNMENTS
ASSEMBLY COMMITTEE ON GOVERNMENT AFFAIRS

JOINT HEARING

Minutes of Meeting -- March 14 and 15, 1973

A joint hearing of the Senate Committee on Federal, State and Local Governments and the Assembly Committee on Government Affairs was held on March 14 and 15, 1973.

Those in attendance were:

James I. Gibson, Chairman)	
John Foley)	
Chic Hecht)	Senate Committee on Federal,
Lee Walker)	State and Local Governments
Coe Swobe)	
Stan Drakulich)	
Carl Dodge)	

Joseph Dini, Chairman)	
Paul May)	
Eileen Brockman)	
Jean Ford)	Assembly Committee on Government
Hal Smith)	Affairs
James Ullom)	
Roy Young)	
Virgil Getto)	

Also present were:

James Widner, L.V.V.W.D.
Peter Herlan, Audubon Society
Lloyd D. George, Bentonite, Inc.
Harry Polk,
Urban Schreiner, L.V.V.W.D.
Dave Henry, Clark County
George Ogilvie, Clark County
Myron Leavitt, Clark County
Bob Broadbent, Clark County
Jack Mitchell, City of North Las Vegas
Thomas R. Rice, L.V.V.W.D.
Robert L. Summers, Atlas Chemical Testing Lab
R. T. Whitney, City of Henderson
H. J. Greenville, City of Henderson

Tom Weisner, Clark County
Jim Parrott, Clark County
Theron H. Goynes, North Las Vegas
Jerry Franklin, City of Henderson
Wendell G. Waite, City of North Las Vegas
C. R. "Bud" Cleland, City of North Las Vegas
James C. Perkins, Nevada Division of Water Resources
Carl Lovell, City of North Las Vegas
William C. Liax, L.V.V.W.D.
Dr. Thorne Butler, L.V.V.W.D.
James Seastrand, North Las Vegas
M. J. Sweeney, City of Boulder City
Liz Vlaning, Junior League
Don Paff, Colorado River Commission of Nevada
Daisy Talvitie, League of Women Voters
Irene Porter, City of North Las Vegas
Bob Warren, Nevada Municipal Association
Thomas R. Rice, L.V.V.W.D.
Thalia Dondero, Las Vegas Chamber of Commerce
Hank Thornley, City of Las Vegas
Hal Morelli, City of Las Vegas
Ian Ross, City of Las Vegas
R. G. Craddock, Assembly District 20
Phil Carlino, Las Vegas
Press representatives

Chairman Gibson called the meeting to order. The following bills were under consideration:

- SB-286 Consolidates sanitary sewer facilities in unincorporated areas of Clark County with such facilities of Clark County Sanitation District No. 1, abolishes certain districts and annexes the areas in such districts to the former district, and otherwise concerns the foregoing.
- SB-287 Creates regional water resources agency of Southern Nevada.
- SB-288 Enacts county sewage and waste water law for counties of 200,000 population or more.
- SB-289 An act creating the regional utility district of Southern Nevada for water and sanitary sewer purposes in Clark County.

Chairman Gibson explained that the purpose of this meeting is to consider the proposals before the committee regarding a master water agency for Clark County. He said that the committee would also be hearing from the Environmental Protection Agency sometime next week so that they could answer certain questions raised on the federal level. He also explained that the bills before the committee were not all complete, but that some were in skeleton form, knowing that not all of them would be passed and that after the hearings further legislation would be developed. He emphasized that the minds of the committee members were open and they desire to get to the basis of what would be the best approach to the problem for the people they represent.

Chairman Gibson then asked Senator Wilson, who had chaired the subcommittee on resource problems to give his statement first.

(Note: The following transcript is not verbatim, but only the main essence of what was said by each speaker.)

SENATOR WILSON: I would like to make a part of your record a report which is public -- it's a report to the Nevada Legislative Commission by a subcommittee on Nevada's environmental problems. This report has been delivered to the Commission and I would like to ask at this time that it be formally made a part of your committee record and that copies of it be distributed to the members of the two committees in the Senate and the Assembly. (A copy of the report Senator Wilson submitted is attached herewith as Exhibit "A".)

We had a number of environmental problems to survey and make recommendations on for legislation during this 1973 session. One of the topics which was given priority by all six members of the committee was the imperative need that the state create a single regional authority for all water effluent collection and treatment services for the Las Vegas, Boulder City area and to mandate a program for transition. I might indicate parenthetically that the members of the committee were absolutely unanimous in their judgment as to the substance of what ought to be done.

The report contains two minority provisions with respect to the nature and type of board with which ultimate jurisdiction ought to be vested. But as to the nature of the jurisdiction itself and the responsibility and scope of the regional board, I would say that the judgment of the individual members on the committee was unanimous and rather immediate, and the conclusions

which we've tendered to you in this report with respect to the merits of the recommendation are unanimous.

It was our judgment that this measure is probably about 20 years overdue; that in a desert, arid climate such as Nevada and particularly Southern Nevada, that it's imperative not just to conserve the resource for the sake of conserving the resource or to protect the environment for the sake of environmental protection, or to preserve the ecology for its own sake, but we felt it imperative and fundamental to the continued security and gradual growth of the economy and of commerce in Southern Nevada that long range regional administration be given the most fragile and the most important fundamental public resource in the Las Vegas Valley and, of course, that's water.

Without water communities there don't grow, without water the economy slows and perhaps is interrupted, and if it isn't properly conserved, if the planning isn't adequately and sufficiently long range, if the authorities administering that resource don't have the financial ability to bond, to raise the necessary capital, to construct the necessary improvements, we will find ourselves drifting into a situation where the situation becomes convulsive -- such things as moratoriums on buildings, shortages on jobs and that kind of thing. That sort of consequence is a direct result of failure to plan. Accordingly, we tendered to you the conclusions which are contained in our report. We felt that if you're going to take jurisdiction regionally over the resource, you can't limit it to fresh water -- it has to include fresh water and effluent collection treatment and ultimate disposition because the resource though treated and though finally in effluent form is just as much a part of the natural resource as is fresh water when you take it out of the ground or when you pump it from Lake Mead.

The primary reason, of course, for a regional jurisdiction is to qualify for federal funding which would not otherwise be available if the authorities remain local. I think the proposition speaks for itself. On the second question of what kind of an agency to create and where to vest jurisdiction, the committee, in two instances disagreed. Four members of the committee felt that the agency, while regional, ought to be elected -- it ought to be independent and autonomous with respect to other political subdivisions, that is, I should say five members of the committee did. Four felt the board should be independent and independently elected from the district within the area. One felt the jurisdiction should be vested with the Las Vegas Valley Water District, and one member felt that jurisdiction should be vested with the Clark County Commission.

With respect to the majority of the subcommittee which concluded and recommended that the regional agencies' jurisdiction and management structure be autonomous and separate from and independent of any political subdivision; several reasons were given and I will take the time to read those.

(1) The limited and fragile resource of fresh and reclaimed waste water is fundamental to the welfare of Southern Nevada, its economy, continued growth and development. It requires specialized administration, long range planning and a board of directors directly answerable to the public for its administration of that resource alone.

(2) The responsibilities and demands upon time and effort are heavy, requiring more continued attention to water alone than administrators and commissioners of political subdivisions are able to provide.

(3) The necessary judgments and decisions should be made with respect to the resource alone, independent of trade-offs, exchanges, compromises, or the pressures that may result from other issues, within the jurisdiction of a political subdivision.

One member of the subcommittee concluded and recommended that the regional jurisdiction of the resource be vested in the Clark County Commission for several reasons: (1) The commission presently has county-wide jurisdiction which embraces the same areas described earlier in the report as the governing body of that political subdivision; (2) It avoids the creation of another agency or board and (3) The responsibility properly is out of the Clark County Commission as a general political subdivision for the area.

The one member of the subcommittee who concluded and recommended the regional jurisdiction of the water be vested in the present Las Vegas Valley Water District Board, several reasons were given: (1) The water district is presently organized and operating to provide water services within much of the proposed regional area; (2) The water district has the extensive staff and organization; (3) The water district has acted effectively in the past and has proved its competence and ability; and (4) The district satisfies the recommendation of the majority of the subcommittee that the new agency should be autonomous and independent of existing political subdivisions.

I would make one comment in conclusion, on this topic and that is that it was apparent to us in the course of our hearings and the discussions of this jurisdictional question that there is rather a great sensitivity between the respective political subdivisions in the Las Vegas Valley as to who should have jurisdiction over a resource that determines growth and economy and whether or not that jurisdiction would be fair and partial as to all political subdivisions dependent upon it. Without water you can't develop, without water you can't have commerce. This was one of the reasons, I think, coupled with the fact that the time requirements necessary to properly administer this responsibility, I think, was the paramount reason why most of the committee felt -- in fact five out of six, that the board ought to be an autonomous board and independent. They also felt that there may be more competence, that the board would be fair with respect to each of the political subdivisions. Now, there is some feeling in the course of testimony that we had before the subcommittee that a water agency such as this would have some perhaps extra jurisdiction, if you will, over the question of planning, but if you can dictate where water is going to go, you can dictate what areas are going to grow and which ones are not. I submit that if the jurisdictional terms of the regional water agency are properly drawn, I think this problem can be avoided.

When I see a regional agency such as this directly analogous to the jurisdiction or the powers that a public utility enjoys. It is a service agency, and its obligation is to plan, to conserve, and to provide service and maintain economic stability, but the jurisdiction is limited to that, and the regional agency has the responsibility of responding to need, the planned need if you would, as given to it by a regional planning commission or given to it by the respective political subdivisions as they determine their own plans. I don't think its in the position of second guessing or having a veto power over an individual community or political subdivision's plans or self-determination. I think that problem can be avoided if the jurisdictional limits are properly drawn. I think it's critical to the acceptance of a regional concept such as this -- I think it's fundamental to the counter powers a regional agency ought to have, and I think it's essential to the success of the agency and its acceptance by the political subdivisions within the county and the county itself.

One of the practical problems going into the organization of a regional agency such as this, is that existing political subdivisions, or districts, if you will, have variant amounts of indebtedness presently against existing an operating plant, and no political subdivision wants to be in a position where it's helping pay some other city, or if it's a city, the county's or district's debt, and I think it shouldn't be too hard to solve this by providing that the debt, with respect to individual districts or political subdivisions can be carried individually until such time as ultimately the district is uniformed. Transition period for the asimilation of a regional agency this large and this complex is going to take a number of years, and I see no reason and I don't think it's an implicit consequence that a regional authority such as this, that Henderson for example, ends up paying an increase debt on the plant that formally was owned and operated by another political subdivision. I think that can be avoided.

I would simply conclude that it's imperative, I think, that this session we develop, pass and have signed into law, a legislation which will make this kind of authority, regional authority, a reality. It is absolutely imperative and I think essential to the satisfaction of our responsibility that this be done. It is critical to the interest of Southern Nevada and is long overdue. Thank you, Mr. Chairman.

CHAIRMAN GIBSON: I would like to briefly lay our ground rules out so that you may know where we're headed. Under the present statutes, as you know, in the next election the Clark County Commissioners will assume the full directorship of the Las Vegas Valley Water District. We have before us several bills which have been proposed which would change that direction depending on the views of the legislature and the expression of the legislation finally adopted. I think the thing we should do is establish the basis of these proposals and go from there. In other words, we will consider, first of all, the county position, inasmuch as the present statute that would have them assume the responsibility wholly for the management of the water district and the existing responsibility for each part of the treatment. Then we will call on the Las Vegas Valley Water District to explain in some detail the basis of the bill proposed which sets up the master utility district in the county area. Inasmuch as these are the two major proposals before us, we'll branch off from them and then into your individual viewpoints. The City of Las Vegas has a further

alternative -- they are not with us today because their City Commission meeting is being held. They will be here tomorrow and we'll hear their presentation at that time.

Chairman Gibson then called on Clark County and Mr. Dave Henry. Mr. Henry came forward and introduced the members of the Clark County Commissioners who were present. Mr. Henry submitted a local government study of 1968, dated August 1, 1968, based upon the principles of public administration and the report of the local government study committee at the State Legislature, Chairman Hal Smith, dated January 19, 1973. He then outlined the presentation for Clark County, with Mr. Ogilvie, Mr. Leavitt and Mr. Broadbent.

GEORGE OGILVIE: Mr. Chairman, members of the respected committees, I have a prepared statement which I would like to read, if I may. As we spelled out, the bill that we are proposing is not 288, which is herefore introduced, it is much expanded form of 288 and, therefore, my comments will be made to the expanded version and not to 288 itself.

The bills that you will be considering today have all been informally classed together into the generic term of the water bills and the respective agencies provided for therein, have all been referred to as the Master Water Agency. This is a misclassification, and a misnomer insofar as the bill Clark County is proposing is concerned. The title of this bill is the County Sewage and Waste Water Law and as its name implies, concerns itself only with the disposal, and I emphasize the word disposal, of sewage effluent and waste water. Similarly, the agency to which it relates, to-wit the county itself, would have control only over the disposal of sewage effluent and waste water. Hence, there is no provision in the bill even remotely relating to the control of potable water. This is left to those agencies currently engaged in the production and distribution of potable water.

If you can recall in the 1971 session of the legislature, the Las Vegas Valley Water District was charged with the responsibility of undertaking the elimination of water pollution problem in the Lake Mead, Las Vegas Wash area of Clark County and in so doing to determine the most feasible solution and to implement such solution by the construction, operation, and maintenance of facilities therefor. It is this responsibility that the County Sewage and Waste Water Law addresses itself. The reasons which will be elaborated upon by Chairman Leavitt and Commissioner Broadbent -- Clark County, is the agency in

Clark County which would best be able to accomplish the ends of the 1971 legislation, and this bill merely transfers those functions to Clark County.

While the bill was primarily designed for Clark County, applying by its terms only to counties which have a population of 200,000 or more, it is written in general terms and can easily be amended to apply to smaller counties, if and when it is determined that the terms thereof would be of benefit to such counties. Two of the outstanding features of the bill are its simplicity and its flexibility. Its simplicity can best be summarized by reference to sections 19 and 40.

Section 19 provides, "if the state or the federal government herebefore or hereafter notifies any public body within a county of a violation of water priority standards and the existence of a water pollution problem, by reason of inadequate or other improper treatment of sewage, effluent, and waste water through facilities of the public body, the county shall proceed forthwith to provide the means to eliminate such water pollution problem by the construction, other acquisition, improvement, equipment, operation, maintenance, or repair or any combination thereof of such facilities therefor as the Board shall deem necessary or advisable and shall require such public body to conduct its facilities to the facilities of the county unless such public body, subject to the approval of the Board, so eliminates such water problem."

Section 40 merely repeals the 1971 legislation conferring this responsibility on the Las Vegas Valley Water District, and transfers all of the water district's rights, duties, and obligations arising under or pertaining to such legislation to the county. The bill's flexibility is demonstrated by the fact that it is not tied to any one crystalized solution. If it is finally determined from the studies that have been conducted and those still continuing, that exportation is the most practicable solution, the bill provides the means to implement that solution. Still, if it is determined that tertiary or even advance treatment is preferable, the county would have the power under the bill to proceed with those alternatives. Or, if some other pollution abatement plan which meets the federal and state requirements is devised that plan also will be within the purview of this bill. Perhaps some combination of all the foregoing is the ideal solution. This too would be possible under the bill.

In connection with the powers conferred on the county, the bill requires the appointment of a Technical Advisory Committee to consist of staff representatives of the local governments in Clark County. At the present population levels the respective local governments will appoint representatives on the committee as follows: Clark County as such, 2 members; the City of Las Vegas, 3 members; the City of North Las Vegas, 2 members; the City of Henderson, 1 member; the City of Boulder City, 1 member; the Las Vegas Valley Water District, 1 member; and Clark County Sanitation District No. One, 1 member.

Some of the other important provisions of the bill are: Section 21 requires public hearings before any comprehensive program of acquisition or construction of facilities could be put into effect.

Section 22 requires approval of both the state and county health departments and the county regional planning body before works could be acquired or constructed.

Section 23 provides for the issuance of bonds to provide funding for the acquisition and construction of the facilities.

Section 24 requires public hearings prior to the adoption of ordinances relating to the powers conferred by this bill.

Section 25 permits the sale of any products produced by the facilities.

Section 26 allows the county to accept grants in aid from and to cooperate with the federal, state, and local governments to accomplish the purposes of the bill.

Section 27 provides for the use of the power of eminent domain in the acquisition of real property and rights-of-way for the construction of facilities, provided that such power may not be used to acquire any similar facilities of any other local government.

Clark County has a requisite funding capacity to carry out its responsibilities under the bill. It is contemplated that any moneys needed, over and above those derived from federal grants and the possible sale of by-products, will be provided by service charges to the public and private bodies using the facilities. Such service charges and the methods for the collection thereof are provided for in Sections 31, 32, and 33. However, in the event that such service charges are insufficient to absorb any such deficiency, Section 30 authorizes the Board of County Commissioners to lobby an ad valorem tax upon all taxable property within the county, in sufficient amount to pay such deficiency.

Another important feature of the bill is that it does not affect in any way the cities in Clark County, other than, of course, to provide them with representation on the technical advisory committee. They will be left free to provide the same services which they are currently furnishing. It does provide, however, that in the future as and when the need arises and by mutual consent, the county may acquire the existing facilities of any other public body for which adequate compensation is contemplated.

In conclusion, I would like to mention that this bill was prepared in cooperation with the law firm of Dawson, Nagel, Sherman, and Howard. The packet which Mr. Henry will distribute among you at the conclusion of this presentation, contains a letter from that firm. At the risk of sounding as if I am blowing my own horn, I would like to read you a paragraph of that letter. It's addressed to me: "Dear George: I have reviewed your revisions and compared it with the original draft of changes which were made in Las Vegas. You have done a thorough, careful, and imaginative job in this revision and it seems to me it accomplishes all the goals as we discussed."

I read this to emphasize that this bill bares the stamp of approval of that law firm, with whom so many of you are familiar. The County Sewage and Waste Water Law will accomplish the task at hand and we urge its adoption.

MR. MYRON LEAVITT: Mr. Chairman, in 1965 the state legislature declared the Clark County Board of Commissioners as the ex-officio trustees of the Clark County Sanitation Districts 1 and 2. Thereafter the county consolidated these two districts into one district. The last session of the state legislature, the Board of County Commissioners was reapportioned as membership was increased from 5 to 7. It was determined that three of the newly elected county commissioners would serve on the Board of Directors of the Las Vegas Valley Water District until January 1st of 1975, at which time the four remaining county commissioners would assume the four remaining seats on the Board of Directors of the Las Vegas Valley Water District. Three members of the Board of County Commissioners from Clark County have been so serving since January 1st of 1973.

The last session of the legislature a local government study committee of the Nevada State Legislature was appointed to

study the total governments in Clark County. The committee has reported its recommendation to you at this time, which is the orange copy we have introduced. Previous legislative action, in other words, has indicated a trend by the legislature to consolidate the water and the sewer services in Clark County into the Board of Clark County Commissioners. Last week you heard testimony regarding the water pollution abatement in Clark County. Today you have requested testimony on the selection of the local government to handle the sewage and waste water pollution problem of Lake Mead, and the Las Vegas Wash.

The Board of Clark County Commissioners is responsive to the people and elected by all of the people of Clark County. It has been reapportioned into small districts of approximately 25,000 voters or 40,000 residents by this legislature. A report on local government in Clark County, prepared by the Public Administration Service in 1968, in regard to special districts had this to say in referring to special districts: "These units which provide single service within their jurisdictional areas tend to overlap each other and in incorporated cities as to service areas the map will show -- the red is the Las Vegas Valley Water District, (you can see where it overlaps into the city, it overlaps into the county, it does not take in North Las Vegas) -- compete with cities for revenue and are at times responsive to special interest groups desires rather than the general public need. These have become almost invisible governments, often controlled by one or several special interest groups operating outside the spotlight of public attention and unresponsive to the general public needs, wishes, and interests." That is a direct quote from a public administration service report, 1968.

The people in Clark County know who their county commissioners are. You can ask any ten people who the directors of the Las Vegas Valley Water District are and you can wait for the answer. But you ask the same ten people who the Board of Clark County Commissioners are and they'll be able to name at least a majority of them. We conduct our meetings in the open and with complete and full press coverage.

Placing the water agency under the Board of County Commissioners will insure the proper planning and coordination for future growth. The Public Administration Report of 1968 states as follows: "Utility systems have an enormous impact upon total area development and citizen well-being. If they are not closely integrated with other public service programs, waste

and illogical growth patterns are certain to result. A local illustration can be found of this in Clark County in the area of water services. This is 1968. Water Services, for example, not only upset the pattern of residential, commercial, and industrial growth, but bear directly on such ongoing service programs as fire protection, recreational activities, and sanitary sewers. A good case can be made for a fully consolidated water service utility or sanitation system serving the entire Las Vegas Valley."

We can eliminate such problems as we've had and we now have, for example, when the road department builds a new street and six months later it's torn up to lay down a new water line. At the present time we cannot build a park in Sunrise Manor because the wells are running dry and we cannot get more water service to the area from the water district. But the main reason for making the Board of Clark County Commissioners the Master Water Agency is to consolidate the water services under one governmental unit and prevent a duplication of services and it will be workable. I firmly believe in the consolidation of services. The taxpayer, of which I'm one, is entitled to the best possible break for his tax dollar. Now we have recently set aside \$750,000 of federal revenue-sharing money to build a centralized auto maintenance facility. All of the automotive equipment in the water district could be serviced and repaired under this department at a tremendous savings to the taxpayer. The county fiscal and personnel operations have been consolidated under the local government budget act, the local government purchasing act, and the Clark County merit personnel system -- all pursuant to the Nevada Revised Statutes. The water district, on the other hand, is not controlled by the local government budget act at the present time.

Your local government study committee after hearing hours of testimony has recommended to you that the water and sewer services in Clark County be consolidated under the Board of County Commissioners. The county sewage and waste water law that has been proposed here today is consistent with the past histories that have been established by this legislative body, commencing in 1965 and consolidating the vital service of sanitation in Clark County under the Board of County Commissioners and continued in 1971 in providing for the Board to assume the direction of the Las Vegas Valley Water District. Let's have no more invisible governments in Clark County that are not responsive to the people. Everybody is in favor of consolidation and everybody talks about consolidation. This is your chance to do something about consolidation. Thank you, Mr. Chairman.

ROBERT BROADBENT: Mr. chairman and members of the legislative committees of the Senate and the Assembly, I'm Robert Broadbent, I'm a member of the Clark County Board of County Commissioners and I would like to read into the record the following statement:

The Board of County Commissioners of Clark County strongly urge passage of the county sewage and waste law. The county proposes this measure because it will provide the necessary organizational vehicle with financial capability to resolve the pollution problems of the Wash and Lake Mead. At the same time this measure will not affect the four cities whatsoever except by mutual consent in areas of mutual benefit. Finally this proposal protects all revenues earned or accrued for sewage and waste water handling exclusively for pollution abatement efforts and no other. As the largest general purpose government in Southern Nevada, Clark County makes this recommendation based on its experience gained in three principle areas: (1) Clark County has been without question a principal advocate and very knowledgeable in the consolidation efforts in Clark County since 1968. (2) Clark County has been a principal participant along with the cities in the development of alternatives to clean up the Las Vegas Wash since 1969. (3) Clark County has been a concerned observer and an effective party and an involved participant in the process of pollution standards for the Las Vegas Wash and Lake Mead.

In the areas of consolidation the county has funded by itself, two major studies for consolidation of various entities in Clark County. The first completed in 1968, was researched by an outside consultant and guided by local officials. The second completed in 1973, was assisted by a local committee under the direction of a special committee of the legislature itself.

In the area of pollution alternatives the county contracted in September 5, 1968, on behalf of the four cities, the Las Vegas Valley Water District, the Colorado River Commission, Basic Management Incorporated, and the Nevada Power Company to conduct a basin-wide water quality control study of the Las Vegas Wash drainage basin. These studies have since mushroomed into additional studies and alternative proposals too numerous to discuss here.

The studies that followed included the Phase II Taxk Force Report of December, 1969, to implement Phase I recommendations including the development of contract documents for the construction of abatement facilities. Other studies, including Phase III, which was done by the Las Vegas Valley Water District for the Las Vegas Valley Water District to evaluate alternatives for the Las Vegas Bay Pollution problems. Then, of course, there was the county's pledge of one million dollars to the Las Vegas Valley Water District for the actual design and engineering services required for the export plan.

On top of these studies mentioned, there was the NECON report still in progress, labeled the Basin Metropolitan Plan funded between the county and the Las Vegas Valley Water District. The purpose of this study for some \$100,000 is to develop data apparently not previously available to qualify the abatement project for federal funds. Then on February 15, 1973, the whole question for which the pollution plans had been predicated were challenged by the Clark County Regional Planning Counsel. The agency designed, designated by the Governor to coordinate all proposals for federal fundings. (end of tape)

A recent telegram containing many pertinent questions from Senator James Gibson to the Administrator of the federal E.P.A. points up further unanswered questions of waste water standards in the Las Vegas Wash. The issue of standards for waste water in the Las Vegas Wash and Lake Mead dictates the pollution alternatives to be selected. The agency designated by the legislature to handle the sewage and waste water problem in the Wash must carefully document pollution standards from either state or federal agencies before committing public funds.

It is most certainly proper for agencies setting Las Vegas Wash and Lake Mead water quality standards to prove up to the satisfaction of not only the legislature but the general tax-paying public such criteria as scientifically valid before a nickle of taxpayers' funds are tied up.

On the other hand, as soon as proper water standards are duly approved within the realm of attainment, the sewage and waste water agency can lose no time in designing and building the pollution control facilities. Standards developed in 1969 surely have proper scientific data at that time to uphold them even in a court of law.

Conclusion: The county has been deeply involved with the pollution problem not only within the compounds of the service area of the Las Vegas Valley Water District, but also throughout

the entire county. The Commission has elected representatives for the entire county, also understands the relationship of water quality standards to pollution control facilities, and the direct impact of such standards on the taxpayer. The contrast of rural areas to urban areas is also an experience of the Board of County Commissioners that is unique in the entire state. Counties participation with both the cities and the legislature itself in working out consolidation of general purpose and special purpose governmental functions is typical of the multifaced experience of the Board of County Commissioners. The Board of County Commissioners is not only remaining very close to the pollution problem of Lake Mead and the Wash, but also very close to all matters of total general purpose government impacted by growth and development. The policy making board that must look at all aspects of local government from planning to public safety, to courts, to public health service and to sewage treatment, cannot avoid better coordination of effort for the taxpayer than a single purpose government not involved with coordination.

Summary: The local government study committee was mandated by the state legislature to develop a plan for consolidation of local governments. In Clark County the committee was instructed by law to, and I quote, "follow the principle of urban type services for city type government and county-wide or region-wide services to county government."

In the report of the committee to the state legislature recommendation No. 9 reads as follows and I quote: "There should be a consolidation of water and sewage management under the county while permitting an appropriate recognition of the city's right to protect the respective revenue base and to enable them to plan for urban growth. There should be a proportionally representing advisory board to recommend policy to the Board of County Commissioners. There should be adequate authority for at least county-wide bonding and funding to enable the county to implement the best solution to the total water sewage management problem that can be found."

Recommendation: Therefore, it is the recommendation of the Board of County Commissioners that the county sewage and waste water law as presented here today be approved by the state legislature. Thank you.

Dr. Thorne Butler, President of the Las Vegas Valley Water District, introduced the members of the board who were present and then gave the following testimony.

DR. THORNE BUTLER: I would like to sort of say on the onset that the Water District does not have any skeleton bills. Our bills have been worked out in great detail with many people, many reviews and I think that literally every word, wentence, comma has been hashed over several times in order to present a bill that we feel is fairly complete in its totality.

I would like to first address myself to the question of why a master agency. I know that Senator Wilson eloquently spoke on this point, but I think there are some factors that are important. The Water District did present to Assemblyman Smith's committee and to Senator Wilson's committee the Water District's position on why consolidation of water services. But I think there are some important things to take into account.

There are some functional problems in the Las Vegas Valley and I think they need to be addressed to and namely they are the needs for insurance of a long-term water supply. There is now deterioration of the water quality in the supply system, there is inefficient distribution, there is inefficient use of all the water resources now available to us, and we have an extensive problem with disposition of waste water. It was our feeling that the only way really to solve all of these problems was by having some type of a consolidated master agency. To take a phrase from Senator Wilson's committee report: I think that the basic objectives of the quality, in water quantity, quality, and cost can be best achieved by single regional metropolitan organization. And it doesn't take a very hard look throughout the Las Vegas Valley to find out that there are extensive inequities in all of these three areas.

What I would like to do is to take Bill SB-289 and go through some elements of it and other members of our staff will discuss some of the more technical aspects of the bill in more detail.

The first, Article 1, is, of course, in essence the introduction of the purpose of why there should be a master agency and I think that's self-explanatory. The agency would have a name called the Regional Utility District of Southern Nevada. It would comprise what is now Clark County. The question arises why Clark County? I think the reason is, primarily, one is that the water quality basin is legally defined as Clark County. In other words, the basin that is required by E.P.A. and H.U.D. under the regional water quality basin plan, which is in the process of being developed, is legally defined as Clark County. While I will agree that you might

argue geologically or hydrologically that that makes up several water basins, but for the purposes of planning it has been agreed that Clark County would be the basin area. It would, therefore, seem very appropriate that whatever agency is responsible for all water matters, as being recommended in this bill, that it encompass the area of the defined legal basin, which will have within it a water quality plant with a 20 or 30 year lead time on it, and therefore, this agency would have to abide by the general guidelines as established by such a plan. This plan was required in order to appropriately participate in various federal funding programs, particularly those of E.P.A. and H.U.D.

Article 2 is the board of directors and advisory committee. It is my belief and the opinion of the majority of the members of the board, even though there is a minority opinion, that this district should be a special district, if you wish, or should be a separate entity and that it should have a board of directors that is separate from any other political entity. I think the reasons for this are a management philosophy one and they cover a series of points. A board that is only responsible for water matters tends to dedicate itself to being interested in water matters as they occur. And I think for a lot of the reasons why we are all heretoday, why we had a great deal of controversy in 1971, was that an agency that was responsible for water matters decided, because it could see various problems in water affairs in the Las Vegas Valley, decided that some type of definitive action needed to be instituted in order to gain time in order to solve those problems as they will come up, not only now, but into the future.

Secondly, a body of this type tends to really be responsive because as it sees each one of the technical details of offering or presenting this particular service to the community for which it is responsible, that the problems in supplying the service become paramount to them and they respond to trying to solve the delivery of that particular service.

In order to accomplish this in SB-289, we want to reverse the action that was taken in NRS 646. NRS 646 is the system in which the County Commissioners, by 1975, would become the directors of the Las Vegas Valley Water District. It seemed to me at the time, and I think other members of the board, when 646 came into being, which was not really a bill in which the members of the water district really knew anything about, it seemed somewhat anonymous to me that the legislature on one hand would assign the water district the task of

handling the Lake Mead water pollution problem and then on the same hand turn around and in essence make its directing body somewhat lamed up in character. But in spite of that, the water district did accomplish the task directed to it by the district and last week we did testify, too, to the structure of the solution to that particular water pollution problem.

I think that Article 3 and 4, which pertain to the officers of the district and to the method of election are self-explanatory and there is really no need to discuss their intimate details.

I would like to skip over water and water pollution which Mr. Rice will address himself to. Article 8 is really the initial structure of this regional utility water district. What it will be composed of at the onset would be what is now the Las Vegas Valley Water District. The City of Las Vegas sewage treatment plant, the Clark County Sanitation District No. 1, sewage treatment plant and the Henderson sewage treatment plant, and what is to be the water pollution abatement project, and what is already part of the district, the distribution and the operations system of the Southern Nevada water project.

The reason for including sewage treatment plants at this time as part of the water pollution abatement project, it is the belief of most technical experts that to appropriately operate and manage the water pollution abatement project, that you have to have some control over the product produced by the secondary sewage treatment plants that I've already listed. So at the opening phase as outlined on the chart in back of you is that the initial RUDSN would be an independent body, that is an independent elected board and it would, at the opening, be composed of the water district, the Southern Nevada Water Project, and the three sewage treatment plants -- those of the city, the county, and Henderson.

I would now like to skip on to Article No. 11 which I think is one of similar controversy as exists over the need of having a separate body and this is the assimilation of other utility, water and sewage utilities into the RUDSN system. As I said before, it was the general belief in a broad concept that there is a need for a master agency to be responsible for all features of water problems in Clark County and in order to accomplish this, obviously those water service agencies that now exist would have to become part

of it. The language of Article 11 permits RUDSN to ask a particular entity if they wish to participate in the master agency concept and the entity who is asked has an absolute veto power from their governing body, so their governing body can either agree or disagree with being a part of the district. If they disagree, they would go it alone as they do at this time. However, the citizens of that particular entity really have the absolute veto power in which they, through a referendum election could elect to participate in the RUDSN system and neither governing board could overrule that particular desire.

There probably is a small weakness in this particular article in the sense that in the special election, in the referendum election, it was only spelled out to include those people in the legal jurisdiction of the entity. It might be more appropriate to amend that to include those who are customers of the entity, because in certain situations we have customers of entities which are not actually a part of the legal jurisdiction.

Additionally, in Article 11, the revenues that are currently enjoyed by a particular entity from the operation of such water services in a sense would be assured in such a way that the entity could budget to the utility district for these funds and appropriate surcharges would be applied to the revenues charged to that particular area. I will admit that this may be distasteful to some because it obviously now makes the source of revenue crystal clear. However, we feel that at least it would assure revenue and many entities depend upon such revenues for their normal day-to-day governmental operations. Additionally, employees that are involved in these operations would be assimilated into the master agency on a fair and equitable basis and this is not a difficult problem to accomplish as we understand it.

As you look around the United States, particularly the Western United States, I think the concept of having all of these services under one agency is not unique -- this is not the first time someone has suggested this. I think the one to look at that is very similar to what we are going through is the East Bay Municipal Utility District or known as East Bay MUD. It is an agency that is responsible not only for water resource development, it is responsible for delivery of potable water, it is responsible for sewage treatment, and control of water pollution and, in fact, in their initial stages of putting together the water pollution problem in the San Francisco

Bay when they built their water sewage treatment plant under the Bay bridges at this time, they really sort of started where we are today. They started out with a water pollution problem and slowly but surely moved into the other phases of it. This particular separate entity not only includes the cities, it includes two different counties. It is an agency of considerable size, it has been very effective in solving its problems, and I think it goes back to my original philosophy management idea, that probably a board that is responsible for supplying certain specific services, particularly related to water, just tend to see to it that those services get done. It is not a question of personality, I think it's a question of assigning responsibility and for whatever reason happens people seem to get those jobs done because they are asked to do them.

If you look at the Kern County Water Agency, which is in the Bakersfield, California area, it is a master agency responsible for all water areas in Kern County and it's interesting to note that the board of supervisors of Kern County recommended that the water agency be directed by the separate body and not by the board of supervisors in essence which is equivalent to a board of county commissioners. I will admit that the board of supervisors in Kern County do have one controlling element in that they must approve all bond issuances. But except for that one feature, the Kern County Water Agency is run by a separate board.

If you look at what happened in the Metro System in Seattle, I think this is also an interesting water pollution project. It was involved with the severe water pollution of Lake Washington, outside of Seattle and made up of many different entities who were releasing various forms of treated or untreated effluent into Lake Washington and into Puget Sound. While this agency was formed by the electorate, initially it failed when the city of Seattle passed it and the smaller communities which lined Lake Washington rejected it. It went back to the voters again 4 years later and at this time, both the smaller communities and the city of Seattle agreed that they needed to put together a master agency responsible for water pollution problems. The Metro System is in some ways cumbersome because of a rather large and theoretically unwieldy board, but at least it took the step forward to form a consolidated system.

We only need to look at other areas. In Massachusetts we have the Sisasco which is an area made up of about 30 different

municipalities in the central part of Massachusetts and they too, have both a water supply problem and a water pollution problem and they, too, came together and formed a one-unit separate entity in order to solve and manage this particular service problem. So I believe that the position that the water district has taken on forming a master agency is one which has historical precedent. I think that the precedent has shown that it works to get the job done. If you just look at the water district itself, it's not just a question of personalities as I said before, but the water district has been able to do many things and get them done. It does have an overall master water plan of where to put the pump stations, transmission lines, reservoirs, as the population of the area grows. It has taken the necessary steps to have long-range financial planning so that in order to meet these particular obligations they will have the funds to carry them out. In order to raise those funds various rate studies have been accomplished so that rates can be appropriately adjusted in, hopefully, a fair way so that these funds can be generated so that the various facilities necessary to deliver water which is the districts' function at this time, can be carried out in an appropriate fashion.

I think the master agency has some other attractive features that I think are important. It is that there are other smaller entities in Clark County, Mount Charleston for example, the Overton, Mesquite, Searchlight areas and so on. They too have water problems. Admittedly on a smaller scale than exists in metropolitan Las Vegas, but they do have them.

I think that a large scale utility district responsible for solving water problems in its service area can offer the necessary technical management and financial expertise to solve those problems and at least permit people in those areas to have reasonable water services. These water services meaning both potable and waste water problems.

So in summary, it's the district's contention that there is a need now to form a master utility district, which we have called the Regional Utility District of Southern Nevada. Additionally, we believe that it should be a district that is a separate entity with its own governing body. Primarily for the reason that it makes good management sense to do this and I think that there is good historical basis to support that contention.

I would like now to ask Mr. Rice to talk particularly about Articles 5 and 6 which deal with water and water pollution and then he will be followed by Mr. Widener, who is our comptroller, to talk about the financing and taxation aspects of the bill; Mr. Schreiner, who is our bond counsel, who was very instrumental in assisting in preparing this particular piece of legislation to talk about bonds and indebtedness and then Mr. Widener will talk about the formation of assessment districts and ordered improvements that may be obtained throughout the system.

TOM RICE: I would like to talk about Articles 5 and 6, run through briefly what they are for you and when we get all through to answer any questions you may have.

Section 5.100 in the first couple of lines is not new, it comes from the existing water district act. The remaining portion of that section is necessary for the new district to take over the existing facilities of the water district. It's just so that the new RUDSN if you want to call it that, has the legal means for taking over the existing water district facilities.

The transfer of personnel in Section 5.110, again is the same sort of thing on all personnel which are absorbed into the master agency have to come in with their rights protected. This can be done with no problem, we did it with the Northern Nevada Water Project people and it's just a matter of working out the equities on it.

Section 5.120 on the Southern Nevada Water Project is in here. The first part of it comes from the existing law that was passed by the legislature two years ago. We have added to it additional language to insure what we think was the intent of the legislature two years ago and as we understand it at that time the intention was for the water district to completely absorb the Southern Nevada Water Project and for the Colorado River Commission to be out of the act so to speak with the exception of the financial arrangements which could not be reckoned with completely at that time in the last days of the legislature. If this was the intention of the legislature, this reiterates it I think in a little more complete detail. We have had some administrative anomalies because of the interpretation of the language from two years ago and the contract resulting has some problems and I think additionally there are probably some unnecessary expenses involved.

Section 5.130 is all from our existing water district act. It empowers the water district to do all of those things that a water district normally does. There's nothing new there, whatever agency is formed and supercedes the water district will have to have the same kind of powers.

5.140 contains language for rate setting. The water district now has that kind of language in this act but this adds more, recognizing the need in servicing an area as large as Clark County with the various small communities, the various conditions, where we may need some flexibility in setting rates to apply to the existing service areas the different kinds of service we would have. This just gives the opportunity to have that flexibility.

Section 5.150 is again old, it comes from our existing act. 5.160 through the end of Article 5 all relate to the powers of this master agency to regulate waters in time of shortage. The law is silent at the present time on this and God forbid that we would have a shortage where this would have to be instituted. If it did come to that situation, whatever agency is going to have to have this kind of power. The needs of the people for health reasons must come first and the governing body of whatever entity controls the water is going to have to make the tough decisions when we're short on water.

Article 6 on water pollution gives the new agency those powers which it will have to have if SB-290 is enacted for the pollution abatement project. It's a companion part that goes with SB-290.

That's all the comments I have on these, when we get through I will be happy to answer any questions concerning them.

JIM WIDNER: Mr. Chairman and members: Section 8 deals with finance and taxation. It is stated that legislation in RUDSN is similar to that of the water district today in which it says that the water district would operate on revenues. That mandate is also emphasized in our existing bond covenants where it says that not only will we operate on revenues, but we will have net revenues beyond operating expenses of 1.4 times the operating expenses. The amount left after the paying of operating expenses would be used to repay principle and interest on debt and new capital improvements to meet growth.

Sections 8.110 through 150 deal with ad valorem taxes that serve to back our general obligation bonds which are supported

by revenue and the sections in this act conform in substance to the existing Las Vegas Valley Water District Act.

The state has recognized the importance of these conditions as well in the local government securities act where they said that no change or amendments whatever be made to any act governing municipal securities that would bear outstanding bonds.

Section 8.170 provides for the manner in which RUDSN funds would be deposited and the security of those funds through a process of pledge collateral in out of state banks and this procedure again exists today in the water district act.

Section 8.190 is the section added which pertains to the legislative counsel bureau auditing and accounting and reporting standards for state agencies to incorporate that into RUDSN so that if the Las Vegas Valley Water District were assigned the task of the Las Vegas Wash pollution abatement plan, indeed we would have the mechanisms so that the state could monitor and review the appropriate funds that have been approved by them.

My other section is assessment districts and I think possibly a little background may be of interest -- a history of the assessment district's in the Las Vegas Valley Water District. The framework for such a district was adopted by the 1963 state legislature and since that time the water district has formed 14 assessment districts serving 2,900 lots and installed 65 miles of pipe and sold bonds of approximately two million dollars to provide service to what was before undeveloped properties or clusters of houses or small private water companies that had inadequate facilities in what we feel is the most economic and equitable manner for people to provide their water services.

There have been four changes to the existing water district legislation as it deals with assessment districts. One of them is that tax exempt parcels now are exempt from assessments when the assessment districts are formed. There is some added language which would permit collection of those assessments when and if those properties converted to private ownership in the form of a connection charge.

Assessment districts in the current water district act are limited to the county assessed value which is approximately 35 per cent of market value and that limitation has been a

deterrent in some areas to development because the cost of the improvements at times have exceeded by far the amount of the assessed value. So the change incorporated in this RUDSN Act would be to permit assessments up to the market value of the lot only. The reason for restricting the assessment to the value of the lot is that one for equities among property, those which may or may not be developed, so that the one lot next door to each other whereas one has a house and one doesn't, won't be assessed at different amounts because of the time in which they built their house. The other last changes provide for 20 years repayment of assessments versus 10 as it exists today and to make equal principal and interest payments both aimed at making it more flexible for the majority of property owners and, therefore, making it easier for them to pay for their assessments than to put in their water improvements.

(Note: Mr. Don Paff's testimony before the hearing is inserted herein as part of the transcript.) Exhibit B, see attached

LLOYD D. GEORGE: Chairman and members of the committee:
I'm Lloyd D. George. I'm an attorney representing Bentonite
and I'll be very brief.

My observations, I think, are elementary observations that approach elementary problems, but because it appears to me at least to some extent that some of these elementary observations are violated in some of the proposed legislation. I feel compelled to take a moment.

The party I represent is a developer and responsible for some significant developments in the area of Henderson and my primary concern is with that particular area. In this respect what's good for the city, I think is good for the developer as well. I think it fundamentally unfair to merge mandatorily systems with many unequal factors.

In the City of Henderson, for example, they have done an extraordinary job in financing their water system and their sewage systems. The debt factor is very, very low and in both of these systems would be forced possibly, at least as far as the sewage is concerned, into a system where the debt factor is very high. In the City of Henderson they depend upon revenue that comes from these utilities. They provide services cheaper than the district is presently providing. There are some advantages there.

I am concerned as well, and I think all small municipalities would be, with getting out a list of priority list that relates to the entire county. In some ways I think it is better for a small city to plan and recognize its own problems and handle its own problems. Not all problems, even in this valley, I think are common problems and I would hope that many of the problems could be attended to such as preservation of water, avoidance of pollution problems by certain standards being set and supervised, but I submit that some of the problems can very well be better handled by the small entity and I would hope that these committee's bear this in mind, and I'm sure they will, as they consider the proposed legislation for enactment. Thank you.

HARRY W. POLK: Chairman, representatives, Senators, my name is Harry W. Polk. I am the general manager of several companies which are controlled by Bentonite, Inc.

We have at the present time approximately \$4-1/2 billion invested in Henderson. In the year of 1973 we are going to invest another \$2-1/2 million. Most of the jobs have already been started. Having that in mind we have to be very much interested in the procedure that we require to get our sewage and our water. Senator Wilson evidently was misinformed as to what facilities were available in Henderson. Henderson at the present time has three ways of getting water. There is no shortage of water in Henderson. We belong to the Southern Nevada Water Company. We also have a contract with the B.M.I. for several years to run for water, and there are three untapped wells which can be put in operation to develop water for two to three million gallons a day. Having that in mind and it being a small town, we're able to give to people services that cannot be given by a large agency.

Relatively speaking if you've noticed in the last three weeks they have lowered the water rate to OH? individuals which has been a great help for the growth of Henderson. They have developed and lowered the water for green belts to churches, country clubs, and other facilities that will help the town to grow and prosper and have outdoor recreation via parks by lowering their water rates. That cannot be accomplished by a large agency which has a tremendous bonding indebtedness, that has to cater up to or guarantee or make sure that the bonds will be paid for. Henderson is not in that position.

As developers within the town, we don't like to see an agency command and take over. Immediately the first thing they do is raise their rates. Their rates at the present time for water are far larger than Henderson. The only thing is that there are some agencies in Clark County that have cheaper rates for sewer than Henderson has, but eventually that will be corrected. We look very unfavorably to agencies coming in and gobbling up places where we have invested large sums of money. We're giving 20-year money in Henderson today and my family will be collecting money off it for 20 years. We are just realizing from the financial standpoint in order for people to pay they have to have reasonable, cheap utilities.

Mr. Leavitt stated to you that nobody knows anybody in the water district or anybody in Henderson or anything else. Everybody knows the commissioners. But gentlemen, if you had had the unfavorable publicity that the county commissioners of Clark County have had in the last two years you would understand why everybody knows them and it is bad and it is a bad image. They can't run a hospital, we all know that. They

can't run a convention center, look at the turnover of personnel. They can't run an airport and now they want to run the water agency. They want to come out and gobble up a good agency even in order to have more money.

It's embarrassing when you're approached like that as an investor or a developer within the community. I hope that later on when this committee is heard again, after all the other evidence is in, we can in turn support our position by letter or appear in person. If that's possible after you've heard everything else because we are definitely, and by the way we are the largest single taxpayer in Henderson if you take the utilities out, that's Nevada Power, Cal Pacific, and the telephone company. We are number 4. So we are very interested in what happens to Henderson. Let the rest of the valley be on their own. We'll try to control Henderson and make Henderson a better city to live in.

URBAN SCHREINER: Senator Gibson, members of the committee, ladies and gentlemen. I'm Urban Schreiner of the firm of Nichols, Rogers and Schreiner, and for the past ten years I have been the bond counsel for the Las Vegas Valley Water District and I have also acted as bond counsel for the City of North Las Vegas and the Clark County School District.

I would like to discuss with you for just a moment the article of the RUDSN bill which deals with the issuance of bonds. Now, this doesn't cover the assessment bond article which Mr. Widner has discussed with you, but Article 9 deals with the bonds which are necessary to fund capital improvement programs for this new district.

By way of background, the whole RUDSN bill is more or less a reflection against the Las Vegas Valley Water District Act which was first enacted in 1947 and which has been in use since that time for the creation of approximately 21 million dollars worth of general obligation bonded indebtedness for capital improvement programs and two million dollars worth of bonded indebtedness which has been represented by assessment bonds issued under that Act.

The Act is a good Act, it's tried, it's tested. The bond rating for the Las Vegas Valley Water District is as good as any other entity in Clark County, and I would suspect that if and when the water district were to go to the bond market again for a major issue of bonds, that the BAA rating which was enjoyed when it last issued general obligation bonds in June of 1967 could probably be improved upon to an A rating which is a rating that is enjoyed by Reno and the state.

Basically, Article 9 authorizes the issuance of general obligation bonds, general obligation bonds with a revenue pledge, revenue bonds, and it also authorizes the issuance of refunding bonds.

Now, all of these powers are in the existing Water District Act. However, we have made some procedural changes in that in the RUDSN bill we no longer require a bond election for the issuance of general obligation bonds, refunding bonds, or the revenue bonds. And the reason for this is quite simple. First of all, we feel that water is the single most important resource that we have available and we just need the power to issue these bonds and we think that the record is pretty clear that if an election were to be required, that the voters of Clark County, or the water district, or the RUDSN district would overwhelmingly support a new water program. We've had three elections in the district; the first in 1954. Additional bond elections were carried out in 1962 and 1965 and the smallest percentage of voters we've had voting in favor of a bond election has been 72 per cent and the highest percentage has been 84 per cent. So it seems like kind of a useless exercise to make the expenditure of funds and take the time which is necessary to set up the machinery for either a special election held by itself or a consolidated election at which time bonds would be authorized at an election in which other measures would be on the ballot, either at the statewide primary or the general election or some other consolidated election.

I think when we realize that over the past three or four years the municipal bond market has had more and wider fluctuations than it has ever had in its history, we can see that to eliminate the time requirement alone of the election process will give this new district the opportunity of issuing bonds to take advantage of a favorable bond market. At the present time the bond interest rates are going up. If the district were to have a program to sell bonds now, to fund the capital improvement programs, it's quite likely that if it could do that without an election and cut off the six to eight week period of time that is necessary to have an election, that substantial dollars could be saved by getting a better rate of interest on the bonds.

Now, as to the method of authorizing the general obligation bonds, the method is similar to the method which has been in use in the City of North Las Vegas, under its own charter since that charter was first put into effect. Basically, what is required is that the board of directors of the new

district adopts a resolution proposing to issue bonds. And it then publishes this resolution in the same manner as the City of North Las Vegas has published its proclamations. It announces that at a certain time, at a certain meeting of the board of directors it will provide for the issuance of the bonds to fund "X" dollars worth of capital improvement. If during the publication prior to the meeting in which it announces that the bonds will be issued, a petition is filed signed by 10 per cent of the voters within the district, at that point an election can be required.

Historically this system has proven extremely satisfactory in the case of North Las Vegas because they have issued several issues of bonds under this proclamation method, none of which have ever been subjected to even a circulation of petitions and obviously no petition has been filed in sufficient numbers to require an election. So we think it is a responsive means and a responsible means for gaining the right to authorize these general obligation bonds. Refunding bonds are authorized without an election as are revenue bonds. In the case of refunding bonds, the state law now provides that refunding bonds can be authorized and issued under the provisions of the Local Government Securities Law, Section 35694 and, in fact, the City of Las Vegas carried out a bond refunding last spring and effected a substantial savings in debt service due to the enhancement of the municipal bond market at that time.

So, basically, we are given the right to issue the types of bonds necessary to fund and refund the major capital improvement programs that are going to be required to be undertaken by the new district.

I would like to comment basically on the approach that was used in drafting the RUDSN bill, because I think it's important for us all to keep in mind the alternatives which we have before us. In considering the approach which has been taken in the drafting of this bill, and the bill which you heard earlier as described by the county, the effect of the county legislation from the best I can understand it, and I have not had an opportunity to review the full length bill. But basically as I understand it, if the county proposal were accepted, first of all the county would retain its three commissioners on the water district board and in two years take over the control of the water district board by replacement of the four independent directors at that time. But the validity and the continued existence of the water

district as an independent entity would be preserved. Now the meaning of that would be that the accounts, the bonds, the district would be operated in a sense as an independent agency. In the same manner that the county now operates the consolidated sanitation districts under the jurisdiction of the board of county commissioners but, in fact, accounted for separately as an independent entity.

I think that it's important that we note that in the RUDSN approach, we authorize both sewer and water and reclamation and the pollution abatement program to be all undertaken by one truly master agency. If we do that, first of all dealing with outstanding debts, we have 21 million dollars worth of general obligation bonds in the Las Vegas Valley Water District which are paid out of revenues. We have the sanitation district and its bonds, and we have other bonding which is going to have to be incurred for the pollution abatement program, either the SB-290 type bonds or some other type of bonds.

To the extent that we have all of this indebtedness brought under the umbrella as it were of RUDSN, we would be in a position where we could combine all of the debt either for purposes of refunding or purposes of providing a common pool to provide security for the bonds and we would have a great deal more flexibility in the accounting of funds than would be the case were the county to preserve the water district and all of its accounts, all of its property separate and apart from the properties of the sanitation district and soon. So I think the pooling itself would work economies and efficiencies that we would not be able to avail ourselves of if we were to operate under the Las Vegas Valley Water District banner for water; under the county for the pollution abatement program and under the sanitation district for the functions now being provided by the consolidated county sanitation district. So, I think we do have economies that can be effected there.

Secondly, in the area of new bonding, I think technology is advancing to the point where when we're dealing with the water resource we're not really dealing with a water system on the one hand and a sewer system on the other. And distasteful as it may be for us to consider them as an integrated type of resource management, I think that we have to recognize that production of water, the use of water, the treatment and the reclamation of water and the disposal of the non-reclaimable waste, all can be combined within one area of technology. If we have the opportunity in carrying out new

programs of bonding all of these under the same type of bonding program, here again, I think we achieve great efficiency and I think we can perhaps achieve lower rate structures because we'll have our common revenue fund able to provide financing and repayment for all of our bonds. So I think consolidation here is of the utmost importance in your consideration of what the actual line-up of agencies or a single agency is going to be in the legislative program. The RUDSN approach as Dr. Butler mentioned is similar to the approach which has been taken in many instances in my home state of California.

I might mention that in California we have literally dozens of laws which authorize the formation of special district. We have an irrigation and water district association which has about 250 members now, and over the past 12 years virtually every water district law in the State of California has been amended to authorize the inclusion of sewer facilities within the powers that a water district possesses. So what we're proposing here isn't new at all and it really is a reflection of the advance technology which I described to you where the water cycle, as it were, is being carried out by a single agency. Before that time we had a situation where we would have a sanitation district or a county sanitation district which would be responsible solely for the sanitation functions, collection, treatment, disposal of sewage and industrial waste matters. And on the other hand, we would have these water districts which would be responsible for the production and distribution of water for various purposes. Now that's changing, it's changing in California and I think it's probably going to change in Nevada too, so that we do have the possibility technologically for combining these projects and I think the opportunity that the RUDSN bill gives us is to combine the financing, the administration, and really the efficiencies which are attendant on this type of program.

I think basically we have a complete act here. The provisions of it as I indicated have been tried and they work in the area of water. We see no reason why they don't work equally well in the areas which have been assigned to the Las Vegas Valley Water District by the enactment of Chapter 616 and 646. I think it should be reiterated here that in the areas of assimilation of other facilities certainly if the citizens in Henderson, Mr. Polk, or anyone else feel that the water rates within the City of Henderson are lower than those which are being offered by a master water agency, then obviously they are not going to opt to join the master water agency.

And that's their prerogative in this bill, we're not trying to force anybody to join a master water agency against their will, and I think this has to be made clear because obviously I would feel the same way Mr. Polk would if someone suddenly said well, you're now paying a higher water rate because you have been taken over by this master agency. I would be disturbed and I think with justifiable reason.

Basically, I have diverted a little bit from the bonding area, but I think it is important that you realize that in the bonding area which is the heart of any special district or any governmental operation these days, that it is essential in my opinion that the opportunity be given for a bond program to be instituted by a new district which can incorporate both the water function, the sewer function, and the pollution abatement function which this bill does authorize. But I don't believe that would be the case in the other approaches.

Senator Gibson: What would be the bond capacity?

MR. SCHREINER: Whatever would be authorized in the area of general obligation bonds, Senator Gibson. The reviewing authority here would be the general obligation bond commission established by the legislature in 1965. So that would review the proposed bonding program and it would review the revenue sources and so on and determine whether or not this agency would be in power to issue those bonds or not.

Mr. Foley: The bonding of the master agency have any effect upon the bonding capacity of the existing entities?

Mr. Schreiner: Yes, that is correct. In the area of general obligation bonds, Senator Foley, the Clark County General Obligation Bond Commission is required by law to review proposed bond issues which could have an impact on the tax rates of the taxing entities in the county and in some cases it is my understanding that the Commission has required certain modifications in proposed bonding programs.

Mr. Foley: Who makes up this commission?

Mr. Schreiner: It's by appointment, I believe, under the current law.

Mr. Foley: Who appoints?

Mr. Schreiner: I believe the county appoints the general obligation bond commission.

(Mr. May directed a question concerning tax.)

Mr. Schreiner: The tax for any of these bonds will be subject to a \$5.00 tax. Section 2 of Article 10 of the constitution.

Mr. Foley: What if the legislature were to determine that it is too risky to go into this \$65 million export. Where would this leave the water district? Do they have alternative plans? What would this do?

Dr. Butler: I would say the implementation of the pollution abatement project would not occur. In essence we would have moved to the alternative which would be to do nothing. And then whatever consequences that might meet would then take place, which there are several both by state and federal agencies. Whether they would put those kinds of leverage or muscle, is a question we really can't answer. They have those powers, whether they would use those powers is the question.

Mr. Foley: I would like to know as a matter of political science, is this the coming thing? To get away from the people's determination on bonds?

Mr. Schreiner: It depends on the purpose for which the bonds were authorized. Now in California we have, as you know, a constitutional requirement that for the issuance of general obligation bonds by a city, county or school district that an election be held at which more than two thirds of the votes be in favor of the issuance of those bonds. And over the past fifteen years various devices have been worked out by public bodies to avoid having to go to the electorate because a two-thirds vote is just a very tough thing to get in many instances. So now, the pendulum is kind of swinging back in certain areas. However, in the area of water and sewer, which are really critical to the needs of developing areas, such as we have both in Southern Nevada and the State of California, and to meet the environmental and ecological problems that are now blooming bigger and bigger for all of us. The trend is to go to the bond issuance by means of typically revenue bonds which are issued pursuant to a resolution subject to a referendum, in the same manner as that which has been proposed here in RUDSN. I would say that for the

essential water and sewer facilities, yes, I think the trend is away from the bond election requirement.

Mr. Foley: How about the school bonds.

Mr. Schreiner: No, the school bonds are covered by the constitution, so that they do require the two-thirds vote.

Mr. Foley: But what's really different is the accordance of the public to have the right to vote on a school bond election, but not on this type of thing. It seems to me that there should be public control and it is my personal reaction to any large scale bonding.

Mr. Schreiner: I think that my only answer is that the City of Los Angeles Department of Water and Power which is a department of the City of Los Angeles, formed under the charter of the city, run by an autonomous independent board of water and power commissioners, under no control of the city council, virtually has the power to issue revenue bonds for water and power and they do. They issue probably \$80 to \$100 million worth of bonds each year. These bonds enjoy a higher rating, even though they are revenue bonds, than general obligation bonds issued by the City of Los Angeles and it is because of a variety of reasons.

First of all, the integrity of the Department of Water and Power is such that it is greater, I think, in the minds of the bond investors than that of the city council. There's nothing wrong with the city council, but it is just a very tightly, well run, double utility type of operation and they issue these bonds just by resolution subject to this referendum.

Under the type of bonding which is carried out in Nevada for utility-type programs the water district has, as I indicated, \$21 million worth of general obligation bonds left outstanding, its issued about \$25 million over the years and these bonds, although they are characterized as general obligation bonds, the district has never levied a tax, never intended to levy a tax and under the resolutions which provide for the issuance of these bonds, the water district is required to establish rates and charges for the sale of water which will produce revenues at a level of 1.40 times debt service on those bonds. To provide to the investor absolute assurance that no tax will ever have to be levied and the fact that they are characterized as general obligation bonds is to provide greater security and hopefully a better bond rating and a better market acceptance of those bonds at the time they are taken to sale.

(Mr. Herlan's testimony is incorporated herewith as a part of this transcript (Lahontan Audubon Society.) *Exhibit C, see attached*

REPORT TO THE NEVADA LEGISLATIVE COMMISSION

by

SUBCOMMITTEE ON NEVADA'S ENVIRONMENTAL PROBLEMS

Recommendation: That the State of Nevada create a single regional authority for all water, effluent collection and treatment services in the Las Vegas, Boulder City area and mandate a program of transition.

Introduction:

The Subcommittee sought advice and comment from a number of individuals in Southern Nevada, expert and knowledgeable and with responsibility in the area of water pollution and conservation. Some of those who were helpful to the Subcommittee served as an Advisory Committee. They were: Dr. G. Burke Maxey, Dr. G. William Fiero, Thorne J. Butler, M.D., Mr. Robert Millard, Mr. Nelson Williams, Mr. Jack Lehman, Mr. Herbert Roundtree, Mr. Allen Peckham, Mr. James H. Parrott, Mrs. Mary Kozlowski. Among others presenting helpful testimony at our hearings was Mr. Don Paff of the Colorado River Commission.

Historically the development of municipal and industrial water supplies and the care of effluents produced have, for the most part, been the result of a demand situation rather than any comprehensive plan. There are some exceptions to this pattern but more often the historical trend resulted in a fractionated development with services essentially on a rather inequitable basis in any one contiguous area. This is not to imply that organizations or systems for potable water service and effluent collection and treatment are inadequate or totally inefficient. However, it is a fact that both growth and demand are not usually uniform in any one area and the services to meet water and effluent needs tend to be developed in parts which generally follow local governmental boundaries.

The several governmental, quasi-governmental and private water systems and the facilities to collect and handle the effluents that are generated in the Las Vegas Valley area follow the historical trend. A concept of regional or metropolitan water and effluent services has been attempted and proven successful in several areas. The major goals of these regional or metropolitan services have been to afford the service area with equity in water quantity, water quality and service costs. In several areas the regional or metropolitan services were the result of a consolidation of existing and separate public and private service agencies, the resultant agency or organization providing a consolidated efficient management and service. These consolidation efforts

Exhibit "A"

have not been without difficulty. Short-term inequities have developed but, for the most part, the equity within a region or metropolitan area has generally been achieved. Generally, a more optimum situation has developed which could not or would have been most difficult to achieve without consolidation.

The Las Vegas Valley area affords an opportunity to consolidate water and effluent service which would not only eliminate existing inequities but would also allow for a more efficient management and use of the limited water supply, allow for the initiation of broad conservation practice programs, provide a higher degree of service reliability to all users now and in the future and eliminate possible overlapping or duplication of service facilities. It must be emphasized that a consolidation of services must not include the state resource agencies involved in overall water resource responsibility. If the control and management of the water sources were to be vested and incorporated in a regional service organization, the necessary statewide water resource planning, development and acquisition would be precluded or as a minimum impeded.

For the past four years, the Desert Research Institute has been conducting studies on the management of the ground water resources in the Las Vegas Valley. The problem of consolidation of institutions and services has been carefully looked at in this study and should afford valuable information in regard to consolidation. (Analysis of Ground and Surface Water Utilization in Urbanized Arid Areas by G. F. Cochran, J. C. Ohrenschall, and W. C. Wilson; and Arid Urban Water Management: Some Economic, Institutional and Physical Aspects by G. F. Cochran and W. C. Wilson)

Functions now performed in the fields of water supply by Nellis Air Force Base, North Las Vegas, Las Vegas Valley Water District, Henderson, Boulder City, BMI, and the several small private companies, along with effluent collection and treatment services provided by the Nellis Air Force Base, North Las Vegas, Las Vegas, Clark County, Henderson, BMI, and Boulder City could be integrated. It would be necessary to provide a phasing program with a positive time schedule, of not less than five years, and a definitive organization structure. Such a program must consider the many and varied social, economic and political factors. The final organization could be formed from an existing or several existing agencies or could be unique to any present structure. It is essential that any basic organization be allowed to mature during the consolidation phase using and including the appropriate physical facilities and trained

human resources to the maximum degree practicable. Positive legislative direction calling for an orderly transition is necessary.

Specifically, it is recommended that the Legislature program a consolidation of water, effluent collection, and treatment services to result in a single regional metropolitan organization in the Las Vegas-Boulder City area. This organization should provide all functions now performed by the cities of North Las Vegas, Henderson, and Boulder City, Las Vegas Valley Water District, Clark County Sanitation District No. 1, Clark County, and Basic Management, Inc., in their roles of treatment, transmission, and distribution of potable waters for municipal and industrial purposes and the collection, transmission and treatment of all effluent waters from all sources in the Las Vegas Valley-Boulder City areas. Although there could be short-term inequities, the basic objectives of equity in water quantity, quality and cost could best be achieved by a single regional metropolitan organization. This single organization could also best achieve reliability of water supply, more efficient use and better conservation practices.

In order to assess any immediate financial hardships that could result from the consolidation of services, an investigation should be made of revenues derived from water and effluent services which are used to fund other local governmental services. Based on the results of the investigation, an equitable allowance could be made in the consolidated service rate structure to replace that revenue.

Conclusions:

Accordingly, the following conclusions are tendered with the recommendation that legislation be drafted and proposed.

1. That the State of Nevada create a single regional authority known as the Southern Nevada Regional Water Agency to administer all water, effluent collection and treatment services in the Las Vegas-Boulder City area and that transition to the agency of existing plant and operations be mandated.

2. That the Agency's jurisdiction include all of the Las Vegas Valley and Boulder City, and exclude Moapa, Overton, Bunkerville and Mesquite with provisions enabling and authorizing the agency to contract for service to those areas or later to incorporate them at an appropriate time.

3. That the agency should have jurisdiction over the distribution of fresh water and effluent collection, treatment, and ultimate disposition. The agency's jurisdiction expressly should exclude and should not extend to the development of the resource, which is vested in the State of Nevada. The agency's jurisdiction should be exclusive as the successor to all districts, political

subdivisions, corporations, associations, private companies or individuals within the regional area.

4. Legislation establishing the agency and defining its jurisdiction should satisfy all requirements of qualifying the agency for federal funds and assistance which are available under Federal Water Pollution and Conservation Programs, or for regional planning programs.

5. The regional agency should be autonomous. Its jurisdiction should be separate from and independent of the political subdivisions, districts, associations and other entities it succeeds.

6. It is recommended that the agency be governed by a seven (7) man board of directors, one from each of the seven (7) Clark County Commission districts, to be selected as follows:

a. On or by July 1, 1973, a seven (7) man regional agency interim board to be appointed by the Clark County Commission, one member from each county commission district to serve until January 1, 1975.

b. The seats of the regional agency interim board are then to be filled by election in each of the respective districts in November of 1974, each for a four (4) year term. The terms should be staggered, three (3) of the seven (7) initially to hold office for two (2) year terms, and upon election in November of 1976 thereafter to hold office for four (4) year terms.

7. The regional agency should be staffed and funded to

a. Plan for transfer of assets and liabilities and water distribution and effluent collection, treatment and disposition services from the existing entities to the agency by July 1, 1975.

b. To coordinate the transfer with the officials of each entity.

c. To review audits of the books and records of existing entities preliminary to transfer.

d. To organize the regional agency.

e. To effect such transfer by July 1, 1975.

8. Existing entities now providing water distribution and effluent collection, treatment and disposal services until July 1, 1975, should have authority and should be required by law to

a. Continue ordinary operations.

b. Plan and cooperate with the regional agency for the transfer of assets and liabilities and their operations and services to the regional agency.

c. Provide the regional agency with an appropriate audit of the entity books and records in such form and manner as the agency shall require.

d. To effect a transfer to the agency on July 1, 1975.

9. The regional agency should have jurisdiction to

a. Charge appropriate rates for water use and effluent fees for services.

b. To issue either general obligation bonds or revenue bonds.

c. To levy assessments.

10. Management and structure of the regional agency.

The majority of the Subcommittee concluded and recommends that the regional agency's jurisdiction and management structure be autonomous, separate from and independent of any political subdivision for several reasons:

1. The limited and fragile resource of fresh and reclaimed waste water is fundamental to the welfare of Southern Nevada, its economy, continued growth and environment. It requires specialized administration, long range planning, and a board of directors directly answerable to the public for its administration of that resource alone.

2. The responsibilities and demands upon time and effort are heavy, requiring more continued attention to water alone than administrators and commissioners of political subdivisions are able to provide.

3. The necessary judgments and decisions should be made with respect to the resource alone, independent of trade-offs, exchanges, compromises, or the pressures that may result from other issues within the jurisdiction of a political subdivision.

One member of the Subcommittee concluded and recommends that regional jurisdiction of the resource be vested in the Clark County Commission. This recommendation is made for several reasons:

1. The Clark County Commission presently has county-wide jurisdiction which embraces the same area as described earlier in this report, and is the governing body of that political subdivision.

2. It avoids the creation of another agency or board.

3. The responsibility properly is that of the Clark County Commission as the general political subdivision for this area.

One member of the subcommittee concluded and recommends that regional jurisdiction over water be vested in the present Las Vegas Valley Water District Board. This recommendation was based upon several reasons:

1. The Water District is presently organized and operating to provide water services within much of the proposed regional area.
2. The Water District has the extensive staff and organization.
3. The Water District has acted effectively in the past and has proved it competence and ability.
4. The Water District satisfies the recommendation of the majority of the subcommittee that the new agency should be autonomous and independent of existing political subdivisions.

Respectfully submitted this 20th day of December, 1972.

Thomas R. C. Wilson, Chairman

Richard H. Bryan

John P. Foley

Virgil M. Getto

Zelvin D. Lowman

Warren L. Monroe

SENATE BILL NO. 289

DATED FEBRUARY 20, 1973

TESTIMONY

BEFORE

JOINT COMMITTEE HEARING

SENATE COMMITTEE ON FEDERAL, STATE AND LOCAL GOVERNMENTS

AND

ASSEMBLY COMMITTEE ON GOVERNMENT AFFAIRS

MARCH 14, 1973

* * * * *

Mr. Chairman and members of the Committees, my name is Don Paff. I am the Administrator of the Colorado River Commission of Nevada.

My remarks will be limited to two specific sections of Senate Bill No. 289 (2/20/73). These are under Article V, Section 5.120, and Article XII, Section 12.130. I have no comments on the bill as a whole.

Section 5.120 presently reads:

"Southern Nevada water project. The district shall assume control, supervision, management, operation and maintenance of all existing and future Southern Nevada water project facilities and water treatment plants and shall assess the costs against the users of water. All contracts, rights and obligations thereunder heretofore

incurred by the Colorado River
in connection with the Southern
are assigned over to the
approvals therefor as might
United States or any department

As to the control, supervision,
project and treatment plant, Chapter
1971 designated the Las Vegas Valley
supervision, operation and maintenance
future project facilities and water
agency contract was carefully drafted
both the Commission and the District
Governor. This contract fully implemented
preserved the State's statutory authori-
ties and responsibilities with respect to
the United States.

As to the assumption of the State's
obligations incurred by the Colorado
on behalf of the State by RUDSN -
ment obligations and water allocated
water delivery and repayment contracts
United States and the State and the
North Las Vegas, Henderson, Boulder
It should be noted that the Federal
tied with the State-water user

Commission of Nevada
Nevada water project
subject to such
required of the
agency thereof."

, management of the
Statutes of Nevada
District to assume
of all existing and
treatment plants. An
agreed and executed by
ratified by the
in the 1971 act and
actual rights, authori-
river water users and
contract rights and
Commission acting
should include both repay-
it would include all
between the State and the
Las Vegas Valley Water District,
and Nellis Air Force Base.
contracts are intimately

NRS 538.220 indicates, in part:

"... the faith and credit of the State of Nevada hereby is and shall be irrevocably pledged for the performance and observance of all covenants, conditions, limitations, promises and undertakings made or specified to be kept, observed or fulfilled on the part of this state, in any contract heretofore or hereafter entered into with the United States of America."

Section 5.120 conflicts with existing statutes - it conflicts within the remaining section of the bill as to parity of funds and obligations - it impairs the contractual relationship of the State and the United States - it conflicts with the rights of the State under NRS 538.170. I would also indicate that upon review the Interior Department Solicitor's Office might have some important comments as to the implications of this section upon the rights, authorities and responsibilities of the United States. Certainly the section would affect Chapter 646 of the 1971 legislature and the implementing contract. I would recommend that Section 5.120 be deleted from the bill.

Section 12.130 provides for RUDSN to be granted all unallocated Colorado River water by contracts between the Commission and RUDSN. This section is completely contrary to and ignores the Supreme Court Decree, Arizona v. California, 373 U.S. 546 and 376 U.S. 340, which places the primary

allocation authority for Colorado River water with the Secretary of the Interior. I believe that existing Federal and State statutes are sufficient to handle water appropriations from the Colorado River and I would recommend that Section 12.130 be deleted from Senate Bill No. 289.

Thank you, Mr. Chairman and members of the Committees.

TESTIMONY OF THE LAHONTAN AUDUBON SOCIETY BEFORE SENATE AND ASSEMBLY
GOVERNMENT AFFAIRS COMMITTEES, NEVADA LEGISLATURE MARCH 15, 1973 FOR
HEARING ON LAS VEGAS VALLEY WATER MANAGEMENT AGENCY AND MANAGEMENT

A major concern of the Lahontan Audubon Society in considering water pollution abatement and management in the Las Vegas Valley has been, and continues to be, the maintenance of the Las Vegas Wash as a viable wildlife habitat. The Wash is presently a valuable asset to Las Vegas Valley, educationally and recreationally; although little of its potential has actually been realized.

Children and older students of Las Vegas, Henderson, Boulder City and North Las Vegas can go just a few miles, some can walk, to observe and enjoy the marsh habitat. Few desert communities have such a resource. Mammals and reptiles abound in the Wash area where they are relatively scarce elsewhere in the Mohave Desert. Two hundred-fifty species of birds have been recorded compared to elsewhere in the Mohave where the count is generally sparse.

The management of the area up to now has been principally federal and state game warden's operations. If its water and lands are managed, the area's potential is tremendous.

The following are a group of quotes from informed persons who have direct knowledge of Las Vegas Wash because they have studied it, or studied in it, or have experienced its recreational resource:

1. Nevada Department of Fish and Game concerning the Draft Environmental Assessment, Pollution Abatement Project Las Vegas Wash and Bay, November 1972, "Las Vegas Wash supplies a great amount of recreational hunting during open seasons (approximately Sept. 1 through Feb. 28) every year in addition to year round non-appropriative use of game and non-game by birdwatchers, high school and University biology classes, youth groups and many others. Any alternative which retains or increases uses would be encouraged and conversely, any alternative causing a diminution of wildlife habitat would be opposed."

2. Dr. Donald H. Baepfer, Vice President of Academic Affairs and Professor in Biology at UNLV, February, 1973, "From an ecological standpoint as it relates to birds, there is no more fascinating area in the entire area than the Las Vegas Wash. It is our only real oasis in the desert."

3. Dr. G. William Fiero, UNLV Director of Environmental Studies, March, 1973, "The Las Vegas Wash area is an outstanding area of ecological diversity. It is not currently utilized as a study area for the local schools to the extent possible, Park status, guided study trails, ecological sites, and written information for students and teachers would turn the area into an ideal environmental study area. Diversity, proximity, and accessibility--the keys for classroom utilization."

4. Ribera and Sue, Park Planners and Consultants, San Francisco, Potential State Parks in Clark County, Nevada, January, 1973, "LAS VEGAS WASH, RESOURCE VALUE (a) Water bodies (b) Marsh vegetation (c) Wildlife. POTENTIAL USES (a) Wildlife--Recreation Park (b) Ecological research (c) Picknicking (d) Hiking and bicycling (e) Horseback riding (f) Fishing. POTENTIAL The primary goal for State Park use should be to preserve a marsh area of great magnitude. Development and management practices which would enhance the wildlife habitat would be the responsibility of the Department of Fish and Game and should be coordinated with the Nevada State Parks System.

Interpretation of these natural features would be possible by the use of instructional walkways and blinds for bird watching. In general the facilities should provide for low intensity day use activities such as picknicking, horseback riding, bicycling, hiking and fishing.

Not far from Las Vegas Wash lies the colorful area known as Rainbow Gardens. If these two potential park areas were to be linked by a trail or road connection, a unique interpretive program encompassing two very different resources could be established."

5. Drs. W. Glen Bradley and Wesley E. Niles, Dept. of Biological Science, UNLV, Final Report to Las Vegas Valley Water District, Study of the Impact on Ecology of Las Vegas Wash Under Alternative Actions in Water Quality Management, March, 1973, "In conclusion it is apparent that Las Vegas Wash offers optimum habitat and supports both an abundant and diverse avifauna..."

It has been shown that animal populations, especially mammals and birds, heavily utilize the more mesic and hydric riparian communities. This is especially true of birds, as portions of the

Las Vegas Wash represent optimum habitat for large numbers of kinds of birds, both on a resident and seasonal basis... The Wash is especially important as a stopover area during seasonal migrations. Withdrawal of water from the Wash, with corresponding vegetative changes, would drastically alter the habitat potential of these areas for mammals and especially, birds. Ideally, from the viewpoint of wildlife habitat, the entire Wash should be maintained in its present or an improved and managed state."

6. Irving B. Hazeltine, Environmental Coordinator, Region I, Bureau of Sport Fisheries and Wildlife, Portland Oregon, in a letter to Richard L. O'Connell, Director, Enforcement Division, EPA, San Francisco, February, 1973, "Its (Las Vegas Wash) proximity to a major population area of Nevada does, in our opinion, make it of inestimable value under proper management... We also recommend that future planning should include sound water management practices to insure efficient utilization of flows which would continue through the marsh area. This should include methods of water release and dispersal."

7. Robert L. Jones, Environmental Consultant in Natural Resources Planning, (formerly Special Consultant, California Assembly Select Committee on Environmental Quality, 1970; Deputy Manager, California Department of Fish and Game, 1965-69) March 10, 1973, "Las Vegas Wash is a unique valuable asset to the entire southern Nevada area. It provides an outstanding wildlife recreational and educational resource to the citizens of Las Vegas Valley and its value and uses will increase as Las Vegas and the surrounding community develops. It is the single most important biotic community of the Las Vegas area.

Future growth and development in and around Las Vegas should be shaped so that Las Vegas Wash remains as a key natural resource to the entire community. It must be protected and preserved."

8. Stanley A. Eisner, A.I.P. Principal Associate, Simon Eisner Associates, Planning Consultants, South Pasadena, California, March 9, 1973, "The History of American cities reads heavy with case upon case of opportunity lost to preserve one or another element of the natural environment. Las Vegas now finds itself

at just such a point in time. The Las Vegas Wash represents one of the greatest natural recreational and educational resources to be found in southern Nevada. These wetlands serve as a home for flora and fauna not usually found in the desert. They also provide an environmental 'change of pace' for the residents of the Las Vegas area.

In light of the growth that is taking place in the Las Vegas Valley, the need for a resource of this kind is going to increase. To allow the Wash to be destroyed would be a crime of unbelievable magnitude - not only for the present population, but for the generations to come. The Wash must be preserved, with special care being taken to assure that the efforts to save it do not have an adverse effect on the quality of Lake Mead."

9. The statement of C. S. Lawson, Clark County Representative of the Lahontan Audubon Society, and one thoroughly familiar with the Wash as a wildlife habitat, is appended to this testimony.

The Lahontan Audubon Society urges that preservation of the Las Vegas Wash be a required component of the plan for water management of the Valley. We believe the Legislature should require an annual report on the status of the Las Vegas Wash from whatever management agency is decided upon, and that report should place emphasis upon wildlife and habitat status as well as progress of improved management of the area. We believe that management of the Wash as a wildlife area should be undertaken by a State or County agency.

The Society would gladly serve with any group to help develop a worthwhile educational-recreational program for the area. We feel sure that many of the originators of the above quotes would also provide assistance in that regard.



(Mrs.) Glade Koch, Secretary
Clark County Branch, Lahontan Audubon Society
237 Greenbriar Townhouse Way
Las Vegas, Nevada 89121

To Whom It May Concern:

Except for brief periods in 1964, 1966, and 1969, none exceeding six months duration, I have resided in Las Vegas since December 1961. I am employed in the gaming industry as a floorman at the Las Vegas Hilton. I am an amateur ornithologist and wildlife photographer and have engaged in the study of birds for more than twenty seven years in many parts of the world. I possess a scientific collecting permit for birds and contribute all specimens and all original photographic records of birds new or unusual to the state of Nevada to the University Museum of Biology, University of Nevada, Reno. The pursuit of my avocation has taken me to Las Vegas Wash an average of more than forty full working days each year I have lived in Las Vegas. I would like to make the following comments about Las Vegas Wash.

The area - Though not as extensive as it is today, the marsh in Las Vegas Wash was viable and studied for its wildlife as early as 1891 (Death Valley Expedition of 1891). Today, with the addition of effluent waters from the nearby communities, the wash contains a very lush marsh more than eleven miles long. It is one of the largest marshes in the Mohave desert and the only one in such close proximity to a major metropolitan area. The closest marsh of comparable size is more than one hundred miles south in Arizona at Topock. Though Lake Mead has been in existence for more than thirty years, no marsh vegetation has developed along the shoreline which compares with the extensive marsh found in the wash. The marsh in Las Vegas Wash is a singularly unique feature in an essentially desert environment.

Wildlife - A marsh contains more life forms per square yard than any other type of habitat. The marsh in the wash is no exception. Water is, of course, the prime requirement for all life in a desert. Coupled with vegetation to form a marsh, it becomes a haven for a large variety of wildlife providing water, food and shelter. The most visible form of wildlife in the wash is the birdlife. To date more than 250 species of birds have been recorded in the wash (including Las Vegas Bay). This represents 65% of all the species found within the state. A total of 346 species have been recorded in southern Nevada. This represents 89% of all birds found in the state. The 251 species found in the wash-bay area represent 72% or almost three-fourths of all the species found in southern Nevada. Five species of rare and/or endangered species of birds are found in the wash-bay area. Three, Golden Eagle, Prairie Falcon, and Peregrine Falcon winter in the wash-bay area.

In addition to the birdlife, rabbits, raccoons, coyotes, bobcats and even beaver are found in the marsh area. In addition, a large number of rodents are also found in this area. Botanically, the wash even contains ferns. The wash receives the largest use by wildlife, by birds, during periods of migration and as a wintering area for waterfowl.

Recreation - During my visits to study birds, I have observed many people using the wash in various ways. Photography, painting, bike riding, horseback riding, hiking, fishing, camping, study of birds, insects, mammals and plants by Boy Scouts, Girl Scouts and many school groups, archery, picnicing, rockhounding, frog giggering, and hunting are some of the activities enjoyed by thousands of people from the Las Vegas area each year. Where will we go to pursue these varied activities if the marsh is allowed to die? Will it be necessary to drive several hours to another state or will we be able to pursue these activities within ten miles of the City Hall of Las Vegas?

Education - All grade levels primary through post graduate university studies utilize the marsh of the wash as an educational tool. In the desert, it is an unusual tool. It provides the teacher and the student with comparisons and contrasts between the marsh and the surrounding desert. Studies in the fields of botany, mammalogy, geology, ornithology, entomology, chemistry, physics and the general life sciences of the lower grades, biology and zoology are all conducted in the marsh area. To allow the marsh to die would be to deprive the teacher of a tool few other areas enjoy so close to the classroom, particularly in the desert southwest. What will it cost to replace this outdoor classroom with materials needed in the classroom to teach the same subjects? What will it cost to maintain a portion of the marsh in a viable state? Which would be the better teaching vehicle for the teacher? From which would the student gain the most knowledge and experience?

Las Vegas Wash was extensively utilized in a pilot environmental studies program conducted by the University of Nevada, Las Vegas in the summer of 1972. This program was designed to expose the high school level biology teacher to environmental problems and possible solutions so that they could in turn expose their students to the environmental problems we all face. The program was so successful that the Environmental Protection Agency is formulating plans to institute similar programs at other centers of learning around the nation. More than six hundred applications were received for the ninety openings. Teachers from high schools from every sector of the nation took part in these studies. The marsh is an educational resource without parallel in the Mohave desert region of southern Nevada.

It is obvious that the marsh can no longer filter and absorb the nutrients contained in the effluent waters discharged through the wash. This has resulted in some pollution of Lake Mead waters. There is argument as to how much pollution, how much effluent water the marsh can absorb without contributing to the pollution of Lake Mead, and there is much disagreement as to the best possible way to solve the pollution problem.

Possible solutions have been presented to the Legislature. The Legislature must now address itself to the complex problems of pollution, water management, and the best uses of the water supply available. In making its determination, I sincerely hope the Legislature will give consideration ^{to the} role the marsh in Las Vegas Wash plays in meeting the needs of wildlife and the people of the nearby communities. The value of the marsh as an educational and recreational resource is without parallel in the desert. Can the community and the state of Nevada afford to lose it; to let it die?

It is hoped these comments will call attention to the problems of the marsh in Las Vegas Wash and to its value to the community. The problems are complex and the decisions will not be easy. I hope the solution forthcoming will allow a significant portion of the marsh to survive. It is a resource we can ill afford to lose.

Sincerely,



C. S. Lawson
Clark County Representative
Lahontan Audubon Society