

SENATE
 ENVIRONMENT AND PUBLIC RESOURCES COMMITTEE

March 21, 1975

The meeting was called to order in Room #213 at 1:30 p.m. on Friday, March 21, 1975. Senator Thomas Wilson was in the chair.

PRESENT: Senator Thomas Wilson
 Senator Carl Dodge
 Senator Gary Sheerin
 Senator Richard Blakemore
 Senator Richard Bryan
 Senator Joe Neal
 Senator Mary Gojack

OTHERS PRESENT: See Exhibit "A".

Senator Wilson explained that the purpose of the meeting was for the committee to discuss S.B. 44, 254, S.J.R. 13, S.B. 326, and 327. There was to be no testimony taken.

Senate Bill 254 was discussed first. Senator Wilson said the two fundamental issues to discuss were 1) question of double majority negative and 2) question of whether to expand the membership of the agency. He said some other things to consider would be the public works, the traffic problem, and a transportation plan. Senator Wilson said public works should conform to a master plan. Senator Bryan said that Douglas County had submitted that loop plan. He said it was his understanding that they have been holding off because they have been trying to get California's concurrence. The composition of the California counterpart is so constructed that they are never going to agree on anything that provides for an additional bypass, the argument being that any bypass is going to increase pressure for development of the Lake and that is what California is resisting. Senator Bryan said if that was true he would like to put in a public works plan that requires bi-state ratification. Senator Wilson said it should be in conformance with whatever plan is established. He said maybe you should not tamper with the compact structure where you do not have a plan. The alternative plans all contain a loop.

Senator Wilson said he was not comfortable with the 60 day provision. Senator Dodge said they should have established that early in their regulations the point at which a proposal is in final form. Senator Wilson said he agreed with that. Senator Dodge said if by virtue of the fact that there have been projects approved up there because action has not been taken in 60 days, absent clear regulations, guidelines, and definitions, it seems like the agency itself would come in and ask for amendments. Senator Dodge said he supported NTRPA two years ago and would like to see only reasonable growth and expansion at the lake, including gaming casinos. He said one thing that had been weak about the proponents presentation is that at no time did the agency itself ask for any of these amendments. Its been the AD-HOC committee or the legal staff asking for them. He said if the Agency does not see fit to come before the committee to ask for amendments based on experience and frustrations, it doesn't make for a very strong case to amend the compact. Senator Dodge said as far as he was concerned they presented a very weak case. Senator Dodge also said he wasn't for adopting something that would play into the hands of the California Legislature to adopt. He said we should not do anything in Nevada until we have some idea of what the feeling in California is. Senator Wilson said that three county members of the TRPA are against modification of the compact and two state members of TRPA are in favor of modification. Senator Dodge said that Mr. DeRicco supported it but also said they weren't having any particular problems with getting the things enacted, their problem is with enforcement. Senator Dodge said if he understood Mr. DeRicco's testimony it wasn't all that much of a mechanical problem as far as getting the actions taken, but the problem was the matter of enforcement. He said the provisions they were seeking to amend he wasn't sure they related to enforcement. Senator Dodge said he asked Mr. DeRicco and Mr. DeRicco had said they had never taken any action, either by majority or unanimously, to amend the provisions of the compact. If that is true, Senator Dodge said, it can't be working all that bad. Senator Blakemore said that from the questions he asked they didn't seem to be having all that many problems. They seemed to have had strong growing pains, but by Mr. DeRicco's own admission it does work. He did question their absenteeism. Senator Blakemore said no matter how we change the compact you can't tell them they have to attend, and said he didn't feel that was the business of the committee.

Senator Dodge said to Gary Owens that the committee was told the agency itself by a majority vote had turned down those Jennings and Kahle applications. Senator Dodge asked Mr. Owens what happened mechanically that permitted Douglas County to go ahead and grant the applications and start construction. Mr. Owens said that Douglas County granted the permits. At the time the Board split majorities back in July, Mr. Hannah, legal counsel, was of the opinion that by virtue of the compact the contracts were approved and they were able to proceed.

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Senator Dodge said that if that were true would we, in affect, be creating a veto power in those types of situations for the State of California. Mr. Owens said that was a fair statement, however, he thought it should be qualified to the extent that if a veto is going to be enacted by one majority not agreeing with the other, it would have to be done on some standard. He said it does, in affect, create a power to veto. Senator Dodge asked Mr. Owens if he knew what grounds on which the agency had approved prior construction on Harvey's and Harrah's, why they denied these. Mr. Owens said why the California delegation voted against them. Senator Dodge said he didn't know how the vote stood, but wanted to know the grounds. Mr. Owens said that was hard for him to say. He had not consulted with the individuals of the California Delegation. There was a staff summary which recommended denial of those two projects. He said it seemed to him that staff summary questioned whether the projects met the requisites for height variance. Mr. Owens discussed the requirements that must be met for a permit to be granted. Senator Dodge asked if they were mechanically in a position to grant the variance. Mr. Owens said they were permitted to do so under ordinance. It would be subject to review and approval of the agency. The variance was approved by Douglas County. Senator Dodge said the reason it went through was because the of the double negative aspect. Mr. Owens said according to Mr. Hannah's interpretation of the compact that was correct.

Senator Bryan said that it was his understanding that the variance involved was the height. Mr. Owens said that was correct. He said there was a specific section in the Land Use Ordinance dealing with variances. They granted a height variance at the Douglas County level. Senator Bryan asked what the situation would have been had there been no variance sought. Mr. Owens said an administrative permit is a permit which must be issued in the first instance by the permit issuing authority. In this case it was Douglas County. There are a number of types of uses for which administrative permits must be issued. One happens to be hotels, motels, apartments with more than five units, and the county issues the administrative permit under certain standards which are set forth in a particular section of the ordinance. They also issue what is called a variance permit if there is a need to vary the standards. These permits, in one application, come before the agency. It is Mr. Owens position that, although others disagree because of the wording, that those permits must be accrued by the agency before they can become valid permits at all. Senator Bryan said so there had been no variance and all that was required was a administrative permit. Mr. Owens said for these two projects they would have had to have a variance. Senator Bryan said assuming there had been no height problem. Mr. Owens said if there had been no height problem it would have been just the ordinary administrative permit. Senator Bryan asked if that permit would have to be cleared by the TRPA. Mr. Owens said yes, under Section .432 of the ordinance. Senator Bryan asked if the California members who opposed did so on the basis that the variance was inappropriate. Mr. Owens said he presumed that was why they voted against it. Again, the staff recommendation was that they be denied. Mr. Owens said he can only assume they voted following the recommendations of the staff. Senator Bryan asked if he could recall what the staff recommendation was. Mr. Owens said he believed it was that the conditions were not appropriate for a variance in height and in order to have a height variance, certain things would have to be met. Mr. Owens read the conditions from the compact.

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Senator Dodge asked if structurally the NTRPA, when it was set up two years ago, had to have had approval for original permits or variances to them either before or after Douglas County granted them. Mr. Owens said he believed the NTRPA reviewed applications after they were first issued by the local governments. Senator Dodge asked if they had a right to. Mr. Owens said yes, they had a simple majority type rule because they only had the Nevada delegation of the TRPA and they had voted to pass. Senator Bryan said during that time there was a change in the composition. Mr. Owens said that was correct.

Senator Blakemore asked Mr. Owens if he knew of any change of legislation by the California people. Mr. Owens said all the California people are concerned. He said from what he understood and he has been involved with no legislation whatsoever in California, that they are watching and waiting to see what Nevada is going to do. Senator Blakemore asked if they were watching with apprehension or with delight. Mr. Owens said he thought if you take the view that California is going to take or hopes for an environmentally strong compact, he thinks with delight if this bill is approved. Senator Blakemore asked if the compact themselves, with Mr. Owens as their legal counsel, asked for any change from California. Mr. Owens said no and that he would have to defend Mr. Heikka's actions because he was testifying only on what he thought should happen. Senator Blakemore asked if Mr. Owens had been directed by any of the membership to contact California and make any change. Mr. Owens said no, and not the Nevada Legislature either. Mr. Owens said he was here for information purposes only and had been asked by Mr. DeRicco to assist Senator Wilson. He thought it would be wise for him to stay out of the legislative process.

Senator Dodge asked if somewhere along the line we don't create some other mechanism

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in the thing to make for regulatory judgement other than by default on this voting structure, do we have any assurance that potentially additional casinos won't be built. Mr. Owens said under the way the law now reads, and if you interpret it literally, he felt that unless you muster exception, and he said he had not said this publically but would say it now, that there would be no assurance that any structure including the casinos or hotels could go ahead. One reservation is, and this would have to be proved by litigation, is an illegal project, one that does not conform to the compact. Senator Dodge said he was talking about the one mile zone which was, for all intents and purposes specifically exempted from changes in the zoning. Mr. Heikka's testimony was that you could fit five or six more casinos in that one mile zone besides the two that have been granted. Senator Dodge said he was just wondering if we leave things in the status quo whether we have any assurance from Douglas County or anybody else that they are not going to go ahead and grant those applications.

Senator Sheerin said he felt that we didn't have any control with the present laws except that would be what NTRPA is for. Whether or not we have more hotels up there should be a Nevada decision not a dual majority and California shouldn't have anything to say about it. Senator Dodge said he agreed, and it should not be a Douglas County decision. Senator Sheerin said it was not a Douglas County decision, and you still have the NTRPA to stop the gaming. If we want to strengthen the gaming aspect, then strengthen the NTRPA. Senator Sheerin said he had legal descriptions of that one mile limit and some other legal descriptions of the Lake Tahoe land and Washoe County land. If you want to limit the area of gaming lets strengthen the NTRPA as to the rules and regulations. He said we should leave it out of TRPA so we don't get California making our decisions. Senator Bryan said what Senator Sheerin was saying made a lot of sense but Mr. DeRicco testified that as far as he is concerned the committee could kill the NTRPA. Senator Sheerin said he was also talking about putting in S.B. 254. If you put in S.B. 254, you might as well rip up NTRPA because it would have absolutely no function. Senator Neal asked if they were not talking about an area that held in common by Nevada and California, particularly the Lake. He said if the Lake becomes polluted then it becomes the problem of both political entities to deal with that problem. Senator Sheerin said that was exactly right. There is no question that Lake Tahoe is a regional situation and that is why Senator Sheerin was not sitting there and trying to convince this legislature to do away with TRPA.

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Senator Dodge asked Senator Sheerin if he would be willing to change the membership on the NTRPA. Senator Sheerin said no. He said the one thing that is common to Nevada and not to California is the gaming. He said gaming is the only thing that should be maintained in Nevada and that should be done through the NTRPA. Senator Dodge asked Senator Sheerin if he would be willing, if we did not do anything with S.B. 254, to change the membership on the NTRPA so that the counties did not have the control. He said the reason he was asking that was because he was not convinced by anything that has happened so far that the counties and their representatives are going to exercise what he felt is self-discipline that might be necessary at time to not get an undue proliferation of gaming casinos at the Lake. If that be true and they are scratching each other's back, and they are motivated primarily by the economic considerations of the broader tax base as far as general business activity, then you have no effective review of these county decisions. Senator Dodge said he could understand all the arguments which he and Senator Sheerin discussed about county control. Senator Sheerin said he hoped Senator Dodge would remember that one day when we talked about this. Senator Dodge said he was not satisfied that the counties have exercised the kind of discipline at times that Senator Dodge felt they should. He said he didn't think it was out of hand at this point but he wanted to go on record at this point as saying he felt one of the worst black eyes that the state could have is the over development of gaming casinos at the Southern end of Lake Tahoe. Senator Sheerin said he agreed with Senator Dodge and that it was his own personal opinion that if another gaming casino were never built at the Lake it would have no objection from him. Senator Sheerin said he simply wanted it to be a Nevada decision. Senator Sheerin said when Senator Dodge talked about the economic consideration he included Carson City. Senator Sheerin said that could not be included because Carson City does not have a square inch of developed land in the Lake Tahoe basin. He said Washoe County does and Douglas County does. Senator Dodge said they were not happy with John Meder. Senator Wilson said that Mr. Meder was instructed previously as to how to vote. Senator Wilson said he would make an observation that two years ago this problem came up because they had an apparent problem developing cooperation with the county members of the TRPA to at least holding development down to the point where the agency was able to cope with it. Senator Wilson said there were problems because they are 20 years too late in doing something.

Senator Dodge said that Mr. Dayton sat in the committee two years ago and he was asked about the traffic problem and Mr. Dayton said there was no traffic problem. Senator Sheerin said he did know there was a transportation plan that Douglas County has presented and had on the board for months. Senator Wilson said this thing was complicated not just by reaction of gaming but by what the City of South Lake Tahoe is willing to do. He said he didn't think they would have been too enthusiastic about going with S.B. 44 except for the attitude in committee by some of those people from Douglas County.

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Senator Wilson said the committee had seen a real polarization caused by a couple of things--cries that we withdraw from TRPA and not cooperating. He said you have to want to make it work before it can work. The members are polarized over the respective issues. The danger is that ultimately the compact can fail. Senator Wilson said the question is what do they do to stabilize the situation. He said he did not have confidence in the ability, on this problem, of the counties being able to exercise a reasonable responsibility. TRPA was created years ago for the same reason that two California Counties and the City of South Lake Tahoe and three Nevada counties all dealt autonomously and they would not or could not, for a variety of reasons, deal and solve what has become a complicated bi-state problem involving a river and a basin. So TRPA was created with the principle of sovereignty because we were concerned about California interfering with our gaming.

Gary Owens said there was a gaming exemption as far as zoning and he still maintained there were standards adopted by the agency in any project received and if they don't meet them and its allowed to go ahead, there is a problem. But if we do need them and their staff, the action can be set aside. He said he recognized it takes a court action to do it. Senator Wilson said he understood but he was just trying to create some perspective on why they were dealing with the problem. Senator Wilson said he thought it was lack of confidence in the local government's ability to carry out the mandate of the compact particularly where they control the double negative was very encouraging. So the proposal was to increase the size of the delegation. Senator Sheerin said he didn't think that adding new members creates a balance; he thought it created an imbalance. He felt that the present board was a moderate board because the committee heard testimony that some projects get through and some projects don't. That means that somebody up there is walking a moderate road. Senator Wilson said he wasn't very happy with the composition of the California side either. He said some of those people had been very irresponsible. Senator Wilson said that when they had hearings and made studies on the Truckee River, they didn't have any cooperation at all from California. We said that if they would give up on gaming at the Lake, we will give you some consideration on your drinking water. Their answer was "go to hell, we're not interested in the trade off." Senator Wilson said the problem attended both sides of the basin. He said he was not saying that one side or the other should take care of the problem. He said he felt that had overdeveloped on the California side of the Lake.

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Senator Sheerin said the question was that we have a polarization between environmentalists and developers. Senator Wilson said no, it wasn't environmentalists and developers. He said he didn't feel that was the polarization. Senator Sheerin said that maybe they disagreed there but he felt that was where the polarization was and we say how do we solve that problem. Senator Sheerin said in his opinion S.B. 254 does not solve that problem. He said the problem was solved by giving TRPA the duty to work on land trade that do not cost the government or the land owners money. Senator Wilson said that was an area beyond their control. Senator Sheerin said he didn't think it was entirely beyond their control and he thought that if the committee gave the TRPA the duty to get involved with land trading, and not only TRPA. He said he realized there were problems with BLM and the Forest Service. He said he thought both legislatures and both governors and the delegations in Washington should be knocking on the President's door telling him to get the act of the BLM and the Forest Service together so that we can establish some kind of formula and some kind of value for undeveloped land in the Tahoe basin. Senator Wilson said he agreed to that, but objected to to the solution because he didn't feel it recognized the realities of the problem. Senator Dodge said he thought they would agree on that point if the objection is valid it doesn't hurt to stimulate from any source you can. Senator Wilson suggested maybe they should memorialize Congress. Senator Sheerin said he didn't want to memorialize Congress. Senator Bryan asked if they wanted an amendment to the compact to specifically mandate TRPA to land. Senator Wilson said you couldn't precondition an action by the agency and that he agreed doing it. Senator Wilson said the Forest Service is doing a great job. He said it was the BLM who was doing the frustrating of the process.

Senator Sheerin suggested they discuss the NTRPA. Senator Dodge said as far as he was concerned even if you had to have a confirmation by the governor about these things. He thought the problem was that in America we have seen the tremendous influence of the almighty dollar. The people that own the property in the one mile zone and in the other areas where you have enormous potential, are not going to leave any stone unturned with their elected representatives to try and develop that ground and get its highest dollar value. He said that was all understandable and that it seems to him that if you are going to have any objective evaluation of those things it can only be done through the county commissioners. He said he had seen it as long as he had been around. Senator Sheerin said he thought you had to keep the original studies in mind that say the TRPA should be a governmental agency with general purposes with limited functions designed to supplement and coordinate but not to replace the local government. Senator Dodge said he was talking about primarily the Nevada agency and not the question of giving our sovereignty to California. He said he was talking about how we try to bring in some overview that we have some assurance at looking at the thing through a little broader perspective.

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Senator Bryan asked Senator Sheerin was the jurisdiction of the NTRPA was. Gary Owens said their jurisdiction was over the entire Nevada side of the basin. Senator Bryan asked if he was suggesting that any project on the Nevada side of the basin would first have to go to the county, then the NTRPA and then the TRPA. Mr. Owens said yes, it was designed to cover recreational type establishments. He said it was designed really toward hotel-casinos. Senator Wilson said Mr. Owens had not made any reference to that. Senator Bryan said he realized that; he was outlining the question as to the possibility of altering the composition of NTRPA in lieu of tackling the compact. Senator Wilson said Senator Bryan's question if it was directed to the jurisdiction of the NTRPA, it was expressly limited. In the TRPA compact there was certain language of exclusion. The language of exclusion in the bi-state compact was used identically to vest and define the limited jurisdiction of the NTRPA.

Senator Neal said he would be in favor of maintaining the designated one mile limit provided they meet the environmental standards set forth in the compact. Senator Dodge said Mr. Heikka indicated that there was room for five or six more casinos in the one mile zone. Senator Dodge said he couldn't condone what has happened on the California side. He said we ought to be taking a look at what we need in Nevada to be doing the job properly even though they may have criticisms.

Senator Blakemore said he missed part of the meeting. He said there were many people at the Lake that have given advice to the committee and to the committee in California. He said he wasn't sure that they in their divine wisdom should be poking our nose in and continually trying to manipulate in the way the committee might feel. Senator Blakemore said one thing no one had ever mentioned was they the committee has never met with its California counterparts. He said perhaps an overview committee should be appointed to look into the compact. They are just waiting to see what Nevada was going to do. Senator Blakemore said that whatever Nevada decides will have to go to California and then on to Washington. He said they should talk to the governor to form an overview committee that meets every two years to evaluate what is being done by their appointed or elected officials to that board. Senator Wilson said he didn't think we had to be responsible for California's policy. Senator Blakemore said he didn't mean that they should be responsible to California but the two could communicate at the legislative level more than they have, which is zero.

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Senator Wilson said he agreed with Senator Dodge that he didn't have a lot of confidence in the status quo of the composition. Senator Neal asked how the status quo had been changed. Senator Wilson said the policy is paramountly county development. He said they had a problem. He said they tend to think that so far as that is concerned we wouldn't be responsible to address that problem on the California side. By that he was saying if the committee wants to broaden the NTRPA in respect to its limited application of gaming, we should broaden the bi-state agency and broaden their representation on the California side. He said he didn't think they had done a very good job, and discussed this briefly.

Senator Dodge suggested that they have a show of hands, without having a vote, on what each committee member wants to do with S.B. 254. Senator Wilson said there were things they would want to deal with separately. He thought there were reservations about the public works part of the bill, about the 60 day provision, etc. Senator Dodge said he was talking about any aspect of S.B. 254 and whether anyone had any appetite to process it.

Senator Wilson said he had an appetite for the bill in that he would like to see expansion of both California and Nevada's delegation, he would like to look at the voting structure. Senator Dodge said all he wanted was a show of hands on those who would like to process the bill. Senator Wilson said they would look at two issues-increasing the delegation size from five to seven.

Senator Sheerin started off by saying he was opposed to that because the original study says it will not displace or displace local government of the region and will only expand and give the balance to elected people. If you give the balance of four to appointed, non-elected officials you are taking the balance away from the three elected officials. He said he thought the issue was not only local government but whether or not you trust elected officials. In view of the fact that this agency has the power to make laws, Senator Sheerin thought elected officials should have control of the agency.

Senator Gojack said that you talk about elected officials you have to be very careful because you are not talking about people who are elected to TRPA in the same manner in which you talk about a person elected to the legislature. She said it was not the direct elective process. It is a combination of both elective and appointive. She said she was for expanding.

Senator Blakemore was against expansion because there was no request from the agency to do so.

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Senator Bryan said he would support some expansion but he wasn't too sure that S.B. 254 was the right approach. He said he wasn't sure who he would put on base. Senator Wilson asked why. Senator Bryan said that S.B. 254 talks about making the expansion come from appointed officials. He said he would like to explore the possibility of giving a broader base of their other elective positions.

Senator Dodge said he had already stated that he thought a weak case was made on behalf of S.B. 254. For that reason he wouldn't support that proponent of the bill. He said he didn't feel they were in the right environment to amend the compact. On exploring the balance of regional against purely local interests, he would go for that.

Senator Neal said he would not be in favor of the expansion. He would support Section G dealing with the fact that if the board cannot come together there would be no action.

Senator Wilson asked Senator Dodge what his feelings were on NTRPA. Senator Dodge said he supported it two years ago and still supports the concept. He said if it hasn't been working structurally, the die is cast as far as not having any checks and balances for that agency. He said we should try to make it an effective agency. Senator Bryan asked if that was an argument for expanding the bi-state agency. Senator Dodge said yes. He said he had tried to make it clear that the reason he didn't want to amend the bi-state compact was because they didn't have the right environment for doing so. He again said that he was impressed by the fact that they had had no formal requests for the amendment, by the people on the agency themselves. Senator Wilson said he didn't think they were going to ask. He said if California recommended the laws we might think they were presumptuous. Senator Wilson said that they had requests from the two Nevada members of the compact. He said they had not had requests from the three county members and they aren't going to ask. They want the current status quo. Senator Dodge said that he thought Mr. DeRicco blew the case when he said that they weren't having any problems with the initial implementation, but with the enforcement. He said he understood they were having more trouble with the dual majority voting, the sixty day rule, and some of those things. Senator Sheerin said he didn't disfavor doing something with NTRPA. Senator Bryan asked Senator Sheerin what kind of expansion would be acceptable. Senator Sheerin said he didn't know. Senator Dodge said there had been a lot of criticism about these type of people will not be answerable to an electorate. He said he doubted that a system to elect would be effective. Senator Dodge said he bought it the way it was not with a ratification by the Governor.

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Senator Neal said NTRPA should be eliminated because we have the Gaming Commission to control gaming. Senator Dodge said there was a fallacy about that because the Gaming Commission does not make the philosophical judgement about whether a gaming operation ought to go in or not. He said they don't even make an economic judgement. He said he witnessed the developments in Las Vegas that no one said could succeed. The Gaming Commission never makes a judgement that cannot succeed. They set down certain requirements about acceptability of applicants and that was the end of it. Senator Dodge said they don't pass judgement on the rest of it. Senator Wilson said he didn't think they should and Senator Dodge said he didn't either. Senator Dodge said he didn't feel that was an effective way to handle it. Senator Blakemore said he would have an appetite for retaining NTRPA for those very grounds. He said there was one philosophical hang-up and that was removing county sovereignty. He said that was as important in Douglas County as it is in Nye County or Lincoln County. Senator Dodge said it was except there was a problem. Senator Dodge said they have got a situation that is impressed so strongly with not only regional but actually national interest. He said the questions is what is the point at which you have to consider other types of interests other than county interest. Senator Blakemore said he would agree to expand NTRPA but said there had been mention before of getting membership out of the county. He said how do we know we won't suddenly have a national asset that is at this time not apparent. Senator Dodge said yes, by a confirmation by the Governor. Senator Bryan asked if you would give the Governor a veto power. Senator Dodge said yes. Senator Bryan said he was not so sure he could buy that. Senator Dodge asked what you were doing when you set up appointed representatives. Senator Bryan said they were instructed. Senator Dodge said yes, and you could do it that way, so the Governor has a role. Senator Wilson said that was what S.B. 254 does. Senator Dodge said he knew that, and maybe that was better. Senator Wilson said S.B. 254 would give the Governor one more. If the six fail to pick the seventh member, the Governor picks the seventh member. Senator Dodge said he didn't feel there was anything wrong with that.

Senator Dodge said the point was that they were talking about whether they were in the right environment to make any amendments. Senator Wilson asked Senator Dodge what he meant by the environment not being right. Senator Dodge said the climate isn't right. Senator Wilson said he was trying to get at what that was because he felt it was not realistic to get into recommendations from the agency. Senator Dodge asked why not. He said they have worked with it for five years and if they are frustrated in the administration of the compact, they would be the first ones to come and say it if it was that bad. Senator Dodge said he didn't feel that they got that kind of showing

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from the hearings because who came in-the AD-HOC's, some state people, and people representing their own thing. He said the only member of the agency they heard from was Elmo DeRicco and Senator Dodge felt he hurt the case when he said they were having no problems as far as the enactment. Senator Bryan said he would appreciate it if there would be more unanimity by the members of the TRPA and that he was surprised by Mr. Heikka's remarks. Senator Wilson said he didn't think that was crucial because by the staff you are talking about policy gesture on the structure and operation of the agency. Senator Wilson said if the members of the committee wanted to talk to the agency privately, they could. Senator Bryan said he was talking about not to the committee but to his own board. Senator Wilson asked Senator Bryan if he thought Mr. Heikka was going to be asked by his own board to make recommendations that would possibly affect a change in structure when three counties don't want to change it and three local governments in California don't want to change it. Senator Bryan said he was not saying to ask Mr. Heikka but he might make recommendations to them. Senator Wilson asked if Mr. Heikka should say to his bosses they were voting crazy and that they should balance it. Senator Wilson said that was just not realistic. Senator Wilson said they were not sitting in a vacuum and he thought the committee had to look at this. If the committee decides they don't want to do it, fine, but he didn't think they should rationalize it as to what recommendations Heikka may or may not have made to his board or to the committee. Senator Wilson said he was not at all impressed by the fact that Mr. Heikka had not asked his board for recommendations. He said the counties were not going to ask for changes either because they are satisfied with the status quo. Senator Gojack said she agreed with Senator Wilson because it was a specious argument to say that because the committee had not heard from the TRPA itself, that there are not problems. She said they had heard testimony from other people who recognize that there is a problem. She said another thing that bothered her was the relationship between the county and the state as if it were the same kind of sovereignty between the state and the federal government. She said it was dead wrong to make those kind of comparisons. Senator Sheerin said that was why he was willing to do something with NTRPA because it is a regional problem. Senator Wilson asked what they should do about the overdevelopment in California. He also said that if they were going to agonize about whether there is a balance on the Nevada side we should do it with the fact in mind that NTRPA has limited jurisdiction. Senator Wilson said that NTRPA is only for gaming and state license of business. He said they could deal with NTRPA in the limited area of gaming. Senator Dodge said maybe that was an indication that the same influences are creating the proliferation on the California side.

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Senator Wilson said they should lay down the same invitation to them by inviting them to amend their compact. He said we could deal with NTRPA as well, but invite California to amend their compact to create a better balance on the California side. Senator Dodge said the only thing is that there you have the unique situation where you are endangering sovereignty. Senator Wilson said he was only talking about the membership question. He said it was in our own interest if we are going to increase our size to ask them to increase their size. If they fail to ratify then we are left with whatever improvements can be made to NTRPA.

Senator Blakemore said that Senator Wilson and Senator Gojack made the perfect argument for withdrawing from TRPA. Senator Wilson said he didn't think so. There was a short discussion on this.

Senator Dodge said he was sorry there hadn't been more input on this to the committee. Senator Sheerin said he felt there was a balance now because some projects have gone through and some projects have been denied. He felt it couldn't be all one way or all the other way. Senator Wilson said he felt the question that they should all ask themselves is whether they are satisfied with what's happening at the Lake now. Senator Gojack said if that was true, according to Walt McKenzie's testimony, he has voted both ways. Senator Sheerin said he thought every vote Mr. McKenzie made was against gaming. Gary Owens said he believed that Mr. McKenzie did vote yes on one gaming issue.

Senator Blakemore said he felt there should be an evaluation in conjunction with someone from California, and spoke briefly about this.

Senator Dodge suggested that the delegation be made up of three elected representatives, three appointed representatives and the lieutenant governor. Senator Wilson said that if the committee is willing to change the base, California should be given the opportunity to change its base. Senator Dodge asked if the California TRPA is the same. Mr. Owens said the CTRPA has seven members, five of which belong to the bi-state agency. The sixth is appointed by the governor and the six choose the seventh. Mr. Owens said he has dealt with the broadened CTRPA for about eight or nine months. He said that they are at a point of being duplicative and yet, they have the situation where you can have diverse decisions. He felt there was a possibility of sometime having a legal dispute as to who has supremacy on the California side of the basin. Senator Dodge said the CTRPA is on a much broader basis of authority than what we are talking about on the Nevada side. Mr. Owens said they have the same powers as the bi-state agency on the

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California side. Senator Dodge said the NTRPA does not, and Mr. Owens said that was correct. Mr. Owens said the one in limbo does, but it will only be enacted if the bi-state agency is ever dissolved. He said the current operative NTRPA is quite limited. Senator Dodge said he doubted you would have the same operative problems that you would have expanding the NTRPA.

Senator Wilson said he felt this was the only area of consensus the committee has reached at this point. Senator Bryan asked why they didn't go with the bi-state. Senator Blakemore said that wouldn't accomplish anything. Senator Wilson said it doesn't make any sense not to increase the bi-state agency. Senator Dodge said he would consider taking a look at the bi-state agency membership, but he felt the problem was the one mile zone at the south end of the Lake. Senator Bryan said Senator Wilson had spoken to the impact of the problem on the California side. Senator Blakemore said he still felt that they were not going to accomplish anything,

Senator Wilson said they should talk about developing some checks and balances, increasing the NTRPA, problems on the other side of the Lake. Senator Wilson said if you were going to increase the membership of the NTRPA, you are not compounding your problems by increasing the California TRPA. He said you were talking about the same people. Senator Sheerin said as far as the CTRPA, he understood they are now being more restrictive than the bi-state agency. Senator Dodge said in theory that would seem to check out. Senator Wilson said maybe they should have Mr. DeRicco poll the California members (CTRPA).

Senator Dodge cited the example of the north end of the Lake. He said the interests of Washoe County in that situation might not sound synonymous with the others and you might conceivably, with the present make-up, throw a balance as far as the Nevada side, to whatever action they try to take to hold down the pollution on the Truckee River. He said he felt that would be of concern to the Washoe County representative. Senator Wilson said he was talking about the Nevada delegation. Senator Dodge said that was right. Senator Wilson said he agreed with that and the source of the pollution problem does not lie in Nevada. Senator Dodge said he realized that. Senator Dodge said what he was asking was could they make a case for the chance we are going to get a better solution to it by expansion of the membership. Senator Wilson said he didn't know whether the densities were going to be reduced or not increased. Senator Dodge said if you could get more public representation as looking at a broader perspective in the environmental problems, maybe that would be a solution. Senator Wilson said one of the problems is that you create an improvement district, such as sewage, and monetarily the economics require a large number of lots being improved. Senator Sheerin asked if the sewer situation was pretty well taken care of. Senator Wilson said yes, they were under an export mandate. What they did was collect from Tahoe City clear down around the west side of the lake. Senator Wilson discussed the sewage system. Senator Sheerin said that the sewer system was already set up and funded and it was just a matter of building it.

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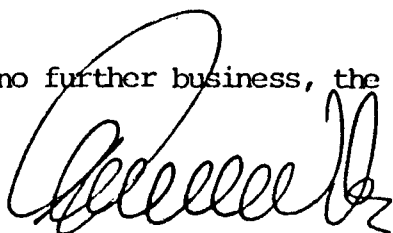
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Senator Dodge said that whatever they did within the basin, it would not offer any developmental control over residential areas outside the basin, so you still have that problem. Senator Wilson and Senator Dodge discussed and determined this was something that Mr. DeRicco should report to the committee on. Senator Dodge stated again that he didn't think the climate was right to amend the compact and said the most damaging thing was Mr. Heikka's testimony. Senator Dodge said the members of the agency have to have common objectives and if, in the carrying out of those objectives, they haven't experienced difficulties mechanically, it doesn't indicate a compelling need for change. Senator Sheerin said when things are being approved and things are being decided, that is a balance.

Senator Blakemore asked about the people that live in the area. He said there were lots of problems. He stated again that he thought there should be an overview committee or some communication should be had with the California Legislature. Senator Wilson said he could tell him how the California people felt, but he thought they should answer their own questions first. He said if the committee was concerned about how California feels, he could talk to them about that. Senator Blakemore said he definitely thought there was a problem. Senator Dodge said the California members hadn't shown either way. Senator Blakemore said that was true. Senator Wilson asked if he was referring to the agency members. Senator Blakemore said he was referring to Mr. Heikka's testimony which they heard previously, in which Mr. Heikka stated he was performing his job and had made progress. Senator Dodge said he thought they should hear from Mr. DeRicco again regarding the California members reactions to the ideas that had been discussed. Senator Dodge was appointed to call Mr. DeRicco and ask him to come and testify. It was decided to hear from Mr. DeRicco on Monday, March 24, 1975, at 5:00 p.m. for the purpose stated above.

There being no further business, the meeting adjourned at 3:45 p.m.

APPROVED BY:



Respectfully submitted:

Kristine Zohner



NAME

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Associated Press

GARY OWEN

TRPA

George C. Finn

League to Save Lake Tahoe
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Lawrence J. Judd

assemblyman

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