

ASSEMBLY
GOVERNMENT AFFAIRS
March 24, 1977
7:45am

MEMBERS PRESENT: Chairman Murphy
Mr. May
Mr. Craddock
Mr. Jeffrey
Mr. Mann
Mr. Moody
Mr. Robinson
Mrs. Westall
Mr. Jacobsen

GUESTS PRESENT: See attached list

Chairman Murphy called the meeting to order at 7:45am and explained that this hearing was a continuation of the previous day's discussion of water meter legislation: A. B. 438, A. B. 439, A. B. 440, A. B. 443, and A. B. 445.

Chairman Murphy then read into the record three letters from concerned citizens and groups stating their position on water meters and water conservation. The letters are attached as Exhibits 1, 2 and 3.

Bob Warren, League of Cities, told the committee that his group would like the committee to make the legislation very permissive. He also suggested that line 3 in A. B. 445 be made to read after the word "map" : for a subdivision which is to be served by a water utility. He also told the committee that he concurred in the amendments presented by Mrs. Wagner and Chairman Murphy to make water meters a local option.

Assemblyman Mann asked Mr. Warren if he really felt that local officials will really take the heat and take the necessary conservation steps. No concrete answer was given.

Assemblyman Jeffrey commented that if local officials are provided with the tools that they need to do a job, they will be responsible and do the right thing, they are capable of making heated decisions. But if they don't make those decisions he would be inclined to make them for the local officials during the next session of the legislature but he felt that the local officials should have the chance first.

Assemblyman Robinson commented that since the local officials were the ones who got the prohibition in the first place, hopefully they will be responsible now.

Cyril Hansen a local engineer told the committee that he felt that a repeal of the ban on water meters is necessary. He suggested that when pipes are laid for new houses, even in subdivisions where wells are going to be used, the facilities for water meters should be put in just in case in later times the water is gotten from a water utility company.

Thomas Lewis said that he had found a lack of knowledge in the community on water meters. He supports water meters.

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I. J. Sandorf, speaking as a private citizen, not as a member of the State Public Works Board, said that he was in favor of water meters because they save water and they distribute the cost of water more equitable. He added that we should not consider the prohibition of water meters as a method to control growth. There are other ways.

Hugh Shamberger, former state Engineer, told the committee that he has been supporting water meters for years. He commented that a good public relations program was needed to let the people know the truth about water meters and that now is the perfect psychological time before it starts raining again. He felt that it would take at least a month to get California to let us have some more water out of Lake Tahoe.

Steve Stucker, representing North Las Vegas, told the committee that North Las Vegas has required water meters on all new installations and all other customers have a choice to have them installed. The cost is \$55 for installation and connections and this can be financed over a year. The actual cost of the meter is \$30-35 and the rest is time, labor and parts.

Ernie Gregory, Environmental Protection Services, gave a statement which is attached as Exhibit 4. In addition to his statement he told the committee that 90% of water used in the house goes back into the sewer.

Assemblyman Westall commented that even with this cut down there would still not be an immediate reduction in rates to the consumer, only perhaps no increase in rates down the line.

Mr. Greenbaum from the Public Service Commission agreed with Mrs. Westall.

Bill Farr, Washoe County Commissioners, told the committee that water meters are not a cureall but that he does support the repeal of the prohibition of watermeters. He does concur with the amendments for home rule as suggested by Mrs. Wagner and Mr. Murphy.

Jay Milligan, City Manager of Sparks, told the committee that Sparks has been voluntarily urging the citizens to conserve. With contributions they have enough money to buy water conservation devices for all of the Truckee Meadows. He added that Reno Sparks already have permissive punitive ability and don't need A. B. 443. Regarding A. B. 440, the feasibility of this depends on 51% of the people and he doesn't think Sparks residents would go for it. They do want home rule. A copy of his testimony is attached as Exhibit 5.

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Assemblyman Westall asked what sort of response to voluntary water conservation by the residents did they receive. She was told that test show a very high rate of acceptance to the program.

Jim Lillard, Mayor, Sparks, told the committee that he would like permissive legislation with home rule and with a repeal of the prohibition. He added that part of the problem is that all the water is treated as drinking water and that only a small portion is used as such. A copy of his testimony is attached as Exhibit 6.

Assemblyman Murphy asked if any decision that Sparks would make on water meters would be made in public. He was told by Mayor Lillard that there would be public hearings.

Assemblyman Craddock commented that he doesn't know of any study that has said anything but that water meters are the most efficient and effective way to distribute water costs.

Assemblyman Mann suggested that the committee give the local officials two years to have home rule and to put them on notice now that if they don't act in the best interest of the area during those two years because of political reasons then the state legislators would have to take responsibility and make their decisions for them.

Fred Davis, representing Reno Chamber of Commerce told the committee that the Chamber supports A. B. 438 and the concept of water meters.

Assemblyman Robinson commented that he did not want the local officials and citizens saying that the Legislature did not do their duty and that they copped out if the committee allowed home rule and then the local officials did not do the proper things.

Assemblyman Mann commented that home rule is a way of side tracking the issue and buckling under pressure. But this committee will allow the local officials to make the decision because they feel that local government is the better way. But the Legislature does have a responsibility to people and in 2 years if the local officials have not taken responsibility then the legislature will have to do it.

There being no further business, the meeting was adjourned at 9:35am.

Respectfully submitted,

Kim Morgan

Kim Morgan, Committee Secretary

GOVERNMENT AFFAIRS COMMITTEE

GUEST REGISTER

DATE: 3/24

NAME, ADDRESS & PHONE NO.	REPRESENTING	TESTIFYING ON BILL NO.
Tom Lewis ✓	Self	438-40-43-45
J. J. Sandoz ✓	Self	Water Meters
Bill Low ✓	WashCo	Water meter
Jim Lillard ✓	mayor - opawa	" "
Hugh Chamberlain ✓	Self	" "
		911

Exhibit 1

RENO CHAPTER
NEVADA SOCIETY OF PROFESSIONAL ENGINEERS
RENO, NEVADA

March 22, 1977

ADDRESS REPLY TO WRITER
100 W. Grove Street
Suite 135
Reno, NV 89509

The Honorable Pat Murphy
Chairman, Government Affairs Commission
Legislative Building
Carson City, Nevada 89701

Dear Sir:

We wish to inform you that the Reno Chapter of Nevada Society of Professional Engineers considered the question of water meters for the Reno area at a recent regular meeting.

A motion to support the use of water meters was passed almost unanimously.

The Reno Chapter has a membership roster of over 100 engineers who are without exception, concerned with water conservation.

Very truly yours,



Clayton A. Carpenter, P.E.
President

CAC:ps

LAW OFFICES
OLIVER C. CUSTER
1500 FIRST NATIONAL BANK BUILDING
ONE EAST FIRST STREET
RENO, NEVADA 89501

March 22, 1977

Mr. Pat Murphy
Chairman
Government Affairs Committee
Nevada State Assembly
State Capitol
Carson City, Nevada

Dear Mr. Murphy:

I am unalterably opposed to the passage of law to permit Sierra Pacific Power Company to install meters for water in Reno, Nevada.

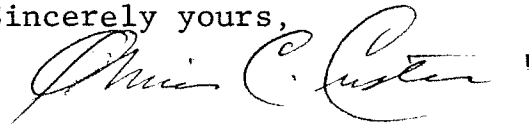
People residing in Reno and Washoe County are faced with an unending demand from the Power Company for increased rates. No sooner is one granted by the Public Service Commission, than another is pending. It is inconceivable how the average householder in the County can make ends meet considering the cost of power, gas, water, and all other costs which go with maintaining a home.

If you have noticed the actions of the Public Service Commission you will have noted that the Power Company always gets what it asks for no matter what opposition is made by citizen groups.

It is my opinion that if Sierra Pacific Power Company is permitted to install meters, we the users will pay for the same by a bond, and will then be under the complete domination of the Power Company. You then will see the situation where only the wealthy people and the casinos can have water for their garden, trees and lawns, and the rest of us will be compelled to live in a barren desert.

As a voter and taxpayer since 1935, I sincerely urge you to oppose this legislation seeking water meters.

Sincerely yours,



OCC/lrs

March 22, 1977

Patrick Murphy
Assemblyman
Legislative Building
Capitol Complex
Carson City, NV 89710

Dear Assemblyman Murphy:

After having read the bills dealing with water meters and water conservation, we are strongly in favor of metering as a means of conservation. However, we are also concerned with not giving undue power to Sierra Pacific.

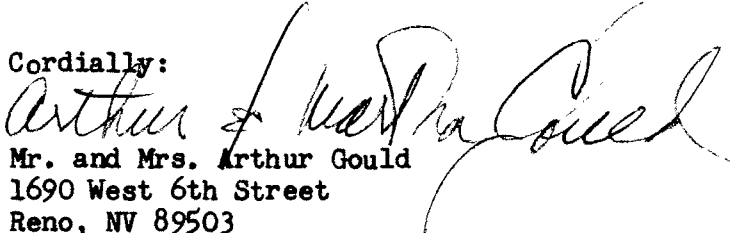
We are concerned that, if Sierra Pacific is the body that installs the meters, the cost might be more than is justified, furthermore, who owns the water used by other than agricultural concerns? What are the storage rights? We feel that these questions must be answered, and answered in favor of the consumer. Water is no longer going to be a plentiful commodity, and if the Reno area is to grow water must be conserved, but not necessarily conserved for the added growth of hotel after hotel. We have the feeling that in this area we are dammed if we do and dammed if we do not use water meters.

So that we will not be fence straddling, we will state that we favor water metering as a means of conservation, but only if adequate protections are provided in terms of controlling Sierra Pacific's powers.

I am sorry that we cannot make the hearing, and we hope ~~this~~ will arrive in time to be read into the testimony.

One last statement - one member of the Washoe delegation made the statement that we have Lake Tahoe for water, and that our current problems are of a temporary nature. We feel that this is a grossly irresponsible statement, and reflects a shallow attitude toward growth problems, and conservation problems. We have to think to the future, or there will be no future.

Cordially:


Mr. and Mrs. Arthur Gould
1690 West 6th Street
Reno, NV 89503

c.c. Sue Wagner
Nancy Gomes

DEPARTMENT OF HUMAN RESOURCES
ENVIRONMENTAL PROTECTION SERVICES

Testimony on
AB 438, AB 440 and AB 443

I AM ERNIE GREGORY, ACTING ADMINISTRATOR, ENVIRONMENTAL PROTECTION SERVICES, 201 SOUTH FALL STREET, CARSON CITY, NEVADA.

SINCE THE PROPOSED LEGISLATION - AB 438, AB 440 AND AB 443 - IS NOT WITHIN THE ENVIRONMENTAL PROTECTION SERVICES' AREA OF JURISDICTION, I OFFER GENERAL COMMENTS AND DEFER ANY COMMENTS ON TECHNICAL CHANGES TO THOSE AGENCIES HAVING RESPONSIBILITY FOR THEIR IMPLEMENTATION.

WHILE WATER CONSERVATION IS NOT WITHIN THE EPS'S AREA OF JURISDICTION IT IS WITHIN OUR AREA OF CONCERN. WE BECAME INVOLVED AT THE OTHER END OF THE LINE, THE COMMUNITY SEWERAGE SYSTEMS. OVER 90% OF THE WATER USED WITHIN A HOME OR BUSINESS IS RETURNED TO THE SEWER SYSTEMS AS WASTEWATER. THIS WASTEWATER MUST BE COLLECTED AND TREATED OR RECLAIMED TO VARYING DEGREES DEPENDING ON THE PLACE OF DISPOSAL. NEEDLESS TO SAY, WHEN THERE IS EXCESSIVE WATER USE THERE IS EXCESSIVE WASTEWATER TO BE COLLECTED AND TREATED. CURRENTLY, ALL DISCHARGES FROM SEWAGE TREATMENT WORKS ARE LICENSED UNDER A PERMIT PROGRAM WHICH SPECIFIES THE DEGREE TO WHICH THE WASTEWATER MUST BE TREATED, AND THE AMOUNT OF TREATED EFFLUENT WHICH CAN BE DISCHARGED. EPS ADMINISTERS THIS PROGRAM. IN ADDITION, WE ARE RESPONSIBLE FOR THE ALLOCATION OF FEDERAL GRANTS TO THE NEVADA COMMUNITIES FOR THE CONSTRUCTION OF CERTAIN PORTIONS OF SEWAGE

COLLECTION SYSTEMS AND TREATMENT PLANTS. THESE GRANTS PROVIDE FUNDS FOR UP TO 75% OF THE CONSTRUCTION COST OF THESE FACILITIES.

MOST OF YOU ARE PROBABLY AWARE OF THE CURRENT CRITICAL PROBLEM IN RENO AND SPARKS RELATED TO THE OTHER END OF THE PIPE. THE TREATMENT PLANT WAS OPERATING IN EXCESS OF THE DESIGN CAPACITY FOR A PERIOD OF THREE MONTHS IN 1976, WHICH IS A PERMIT VIOLATION, AS WELL AS EXCEEDING OTHER PERMIT STANDARDS. ANY OF THESE VIOLATIONS CAN SUBJECT THE CITIES TO A VARIETY OF PENALTIES BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY OR EPS, RANGING FROM \$10,000 A DAY FINES TO A PROHIBITION ON FURTHER CONNECTIONS TO THE COLLECTION SYSTEM. WITHOUT CHANGES IN THE METHOD OF OPERATION OF THE PLANT AND REDUCED FLOWS TO THE PLANT, THERE IS NO REASON TO BELIEVE THAT THE PLANT WOULD NOT BE IN CONTINUING VIOLATION OF THE PERMIT DURING FUTURE SUMMER FLOWS WHEN SEWAGE VOLUMES ARE AT THEIR GREATEST, UNTIL THE PLANT IS EXPANDED TO ACCOMMODATE ADDITIONAL FLOW.

WITH THIS IN MIND THE EPS DID IMPOSE TEN CONDITIONS ON THE CITIES TO PERMIT FUTURE CONNECTIONS UNTIL THE EXPANSION IS COMPLETED, AND HOPEFULLY TO LIVE WITHIN PERMIT CONDITIONS UNTIL THAT TIME. THREE OF THE CONDITIONS IMPOSED WERE:

1. DEVELOP A WATER CONSERVATION PLAN.
2. EVALUATE CONTRIBUTION OF IRRIGATION RETURNS AND ENACT ANY NECESSARY ORDINANCES TO CONTROL THESE FLOWS.
3. CONDUCT A SURVEY OF POSSIBLE MAJOR INDUSTRIAL CONTRIBUTORS AND ENACT ANY NECESSARY ORDINANCES TO CONTROL EXCESSIVE FLOWS FROM THESE CONTRIBUTORS.

WHILE EPS DOES NOT CLAIM AUTHORSHIP OF THE PROPOSED AMENDMENTS IT IS INTERESTING TO NOTE THE COMMON THOUGHT. I WOULD NOT SUGGEST THAT THE LEGISLATION, IF IT HAD PREVIOUSLY BEEN IN EFFECT, WOULD HAVE RESOLVED THE CURRENT PROBLEM OF RENO AND SPARKS NOR WOULD ITS ENACTMENT DURING THIS SESSION ALLEVIATE THE PROBLEM. RENO AND SPARKS, LIKE MOST OF THE COMMUNITIES IN THE STATE, DO NOT ACT ON PENDING PROBLEMS, BUT REACT TO EXISTING PROBLEMS OR WHEN FORCED TO ACT. FORTUNATELY, WATER CONSERVATION MEASURES CAN BE USED TO PERMIT CONTINUED CONNECTIONS AND IS A MEASURE TO BUY TIME UNTIL THE EXPANSION CAN BE COMPLETED.

WHAT I WOULD SUGGEST IS THAT THE LEGISLATION RECOGNIZES A WANTON USE OF A RESOURCE, AS EPS DID IN IMPOSING THE CONDITIONS ON THE CITIES. UNFORTUNATELY IN THE CASE OF RENO AND SPARKS IT HAS TO BE USED AS AN ASSET, AN EASY OUT.

I HAVE NOT ATTENDED PREVIOUS HEARINGS ON THIS LEGISLATION BUT I ASSUME SOME OF THE ARTICLES IN THE NEWS MEDIA REFLECT PREVIOUS TESTIMONY. ONE OF THE PRINCIPAL CONCERNS APPEARED TO BE THE COST OF INSTALLING METERS AND I WOULD AGREE IT WILL BE EXPENSIVE. BUT THEN I WONDER IF THE TRUE SAVINGS IN COSTS TO THE CONSUMER, THE GUY WHO EVENTUALLY PAYS FOR EVERYTHING, HAVE BEEN ACCURATELY EVALUATED. I EARLIER REFERRED TO LARGER SEWAGE FLOWS RESULTING FROM EXCESSIVE WATER USE. THAT IS A PRETTY SIMPLE, EASILY UNDERSTANDABLE STATEMENT, WHAT GOES IN MUST COME OUT. BUT ON THE OTHER END OF THE LINE IT ALSO MEANS THAT THE SEWER LINES IN THE COLLECTION SYSTEM AND THE TREATMENT PLANTS MUST BE CONSTRUCTED

LARGER TO ACCOMMODATE THE GREATER FLOWS. IN ADDITION, IN THE TREATMENT PLANT GREATER QUANTITIES OF WATER MUST BE LIFTED AND MOVED AND CHEMICALS ADDED.

CONSTRUCTION OF THE FACILITIES REPRESENT MAJOR CAPITAL EXPENDITURES WHILE TREATMENT COSTS ARE EVERYDAY ONGOING EXPENSES. REDUCTIONS IN SEWAGE FLOWS WOULD RESULT IN LOWER PER CAPITA OUTLAYS AND ONGOING EXPENSES AS WELL AS CONTRIBUTE SIGNIFICANTLY TO ENERGY CONSERVATION BECAUSE LESS WATER WOULD HAVE TO BE MOVED.

THE SAME IS TRUE AT THE HEAD END OF THE LINE. EXCESSIVE USE NECESSITATES LARGER LINES TO MAINTAIN FLOWS AND PRESSURES, LARGER STORAGE FACILITIES ARE REQUIRED, MORE ENERGY IS CONSUMED IN MOVING THE WATER AND MORE CHEMICALS ARE REQUIRED TO TREAT THE WATER.

AS AN EXAMPLE IN REDUCTIONS IN SEWAGE FLOW THAT CAN BE MADE WITH A MINOR EFFORT, THE CITY OF RENO ESTIMATES WITH THE INSTALLATION OF TOILET DAMS AND SHOWER HEAD RESTRICTERS, THE PROGRAM CURRENTLY UNDERWAY, SEWAGE FLOWS CAN BE REDUCED BY 2 MILLION GALLONS A DAY. THIS IS ONE TENTH OF THE TOTAL FLOW TO THE TREATMENT PLANT. IF THIS COULD BE DIRECTLY RELATED TO THE ENERGY COST WHICH IS ABOUT \$25,000 A MONTH, IT WOULD BE AN ANNUAL SAVINGS OF \$30,000 A YEAR AT THE PLANT AND MORE IF YOU TAKE INTO CONSIDERATION THE OTHER PUMPING STATIONS UPSTREAM IN THE COLLECTION SYSTEM. IT WOULD BE INTERESTING TO KNOW THE ENERGY COSTS SAVINGS TO SUCH A PURVEYOR AS SIERRA PACIFIC POWER COMPANY, ESPECIALLY IF MY UNDERSTANDING IS CORRECT, THAT ALL THE WATER DURING CERTAIN TIMES IS PUMPED.

I BELIEVE IF THE REDUCTION IN ADDED COSTS, SUCH AS THESE, TO THE INDIVIDUAL CONSUMER WERE CONSIDERED IN THE OVERALL IMPACT INSTALLATION OF WATER METERS WOULD HAVE, THE COST OF THE METERS WOULD BE INSIGNIFICANT IF NOT A SAVINGS.

I WOULD URGE YOU IN YOUR DELIBERATIONS ON AB 438 AND AB 440 NOT TO DEVELOP A MYOPIC APPROACH, BUT TO CONSIDER THE OVERALL BENEFITS THE INSTALLATION OF WATER METERS MAY HAVE.

CERTAINLY I AM NOT HERE ASKING YOU TO MAKE EPS'S WORK ANY EASIER, BUT AS I INDICATED EARLIER ONE OF THE CONDITIONS IMPOSED ON RENO AND SPARKS WAS TO EVALUATE IRRIGATION RETURNS, RUNOFF FROM LAWN WATERING, DETERMINE WHAT IMPACT THIS HAD ON FLOWS TO THE PLANT AND ADOPT ANY REGULATIONS OR ORDINANCES NECESSARY TO CONTROL THESE. AB 443 ADDRESSES THIS PROBLEM. IN DISCUSSING THIS CONDITION WITH THE CITIES, THEY HAVE INDICATED A WILLINGNESS TO IMPLEMENT IT IN COOPERATION WITH THE WATER PURVEYOR, BUT THEIR AUTHORITY APPARENTLY IS LIMITED IN THAT THEY CAN ONLY EXERCISE CONTROL UNDER CERTAIN CONDITIONS. THIS BILL APPEARS TO BROADEN THEIR AUTHORITY AND WOULD ALMOST ENABLE THEM TO IMPOSE ANY NECESSARY CONTROLS.

I WOULD URGE YOUR FAVORABLE CONSIDERATION OF THIS BILL, BUT DELETING THOSE SECTIONS, SECTION 1.3(b) AND 2.3(b) WHICH REFER TO THE UTILITIES UNDER THE PUBLIC SERVICE COMMISSION. THIS WOULD MAKE THE LEGISLATION USELESS IN THE RENO-SPARKS AREA.

TESTIMONY of Jay Milligan, City Manager of Sparks on WATER METERS
on March 24, 1977

MILLIGAN: Sparks and Reno have been doing things about water conservation some time before it became fashionable to be concerned about it. Late last year we determined that we were going to have to make an effort at water conservation and the elected officials and appointed officials of Reno and Sparks devised and implemented a voluntary Truckee Meadows Water Conservation District which is heavily supported by Sierra Pacific Power. We are right now implementing a voluntary water conservation program for every one of the approximately 87,000 residences in the Truckee Meadows at no cost to the cities and to the citizens. The non-profit organization committee of the Conservation District has solicited enough contributions to pay for the installation of water saving devices in all the homes in the Truckee Meadows. This program is underway right now and we will have that completed in late May before the summer months come. (Regarding Mr. Gregory's remarks about the storm drain water getting back in the sanitary system and going to the sewer treatment plant) one of the reasons that Sparks has had such a very small increase in use at the joint sewage plant is because of the well developed storm drain system we have in Sparks and during the last 6 years the waste water going through the sewage treatment plant from Sparks has increased very little. Reno passed a bond issue just recently to upgrade their storm drain system to help that. With regard to the savings involved by smaller amounts of water going through the plant, that is certainly true. There will be a savings on power alone, if we could effect a 10% savings in Truckee Meadows as we anticipate, that is 2 million gallons a day, the energy savings will be significant. For Sparks, we have held our sewer rates constant for about 16 years and through some judicious savings we have saved almost the entire amount necessary to pay for our portion of the joint plant expansion. We already have that money banked so we won't need to bond for it.

(Regarding the proposed legislation) A. B. 443 - both Reno and Sparks already have this legislation on the books. We passed ordinances already to do this.

A.B. 440 - The feasibility of that financing method depends on at least 51% of the people within that district agreeing to it. And if you form an assessment district and you don't get 51%, it would not be a feasible technique. I am not sure that in Sparks using that method would result in a 51% agreement.

On behalf of the City, our suggestion and recommendation would be to repeal that prohibition statute. We think that is the solution. Although I can't speak officially for the City of Reno, my conversation with the City Manager last night indicated that that was the position that they wished to express also.

WESTALL: What sort of a response have you received on this voluntary conservation program? MILLIGAN: On the test area the results were very good with a very high acceptance rate. The recent controversy over water meters has raised a great deal of questions by the people and we now have to brief our installers much more than we anticipated, in terms of the questions they are being asked about water meters. WESTALL: In other words, the willingness of the people to conserve and do their part is overwhelming? MILLIGAN: We found that so in the test. WESTALL: The problem that I find is not that people have a quarrel with conservation or meters it is the method of financing the meters and what the monthly rate will be. What amount of savings do you expect with this voluntary conservation methods? MILLIGAN: We are expecting a 2 million gallon per day savings or 10% of present use.

TESTIMONY OF MAYOR LILLARD OF SPARKS ON WATER METERS ON March 24, 1977

LILLARD: I think we all, the construction industry and the elected officials have to share the blame for the need to conserve water now because of the fact that toilets were made with a 7 gallon flush when they only require a 4 gallon flush and shower heads are putting out too much water. If we had looked at conservation years ago we wouldn't have allowed the excess water use when it wasn't needed in the first place. I would be very strongly opposed to any mandatory water meter situation in the Sparks area and I am speaking for myself, I certainly can't speak for the entire population, nor can I speak for the Council. I would be very much in favor of permissive legislation. My main reason for saying that is because I don't believe you or I have the facts that tell us that we should have mandatory water meters. When we talk about the amount of water usage that we use in Washoe County area versus other areas, I don't think we are getting the true facts of why it is or what it is. When we try to compare the average daily use in our area versus an area in California which has adequate rain supply and has very little irrigation systems, this has to change it. I believe there are other areas in the country where they are using secondary water for irrigation and we are not doing that. There are probably a lot of things that we should look into before we jump into water meters. I favor repeal of the present prohibition of water meters and it should be permissive. There are a lot of questions that need to be answered first, before water meters are mandatory for example: the cost of water meters, the cost of meter readers, the cost of billing people, these costs are probably substantial. I would like to know how we may convert that same dollars into a secondary piping system so that we are not using treated water for watering our lawns, washing our cars, and flushing our toilets. Part of our problem is that all the water we use is being treated for drinking water and very little is used for that purpose. I feel that water is a natural resource and it is not a matter of how you use the water if you have plenty of it go ahead and water your lawn, and then it goes down the river, then up to the clouds and falls somewhere else. It's where the water is at the time that it is needed that is important. I don't like to see water wasted, but through the storm drain systems and other methods that have been discussed that very possible, whether we have water meters or not, we have to look into not using treated water for irrigation etc. If we get carried away and say that water meters are going to save us a lot of water and if we don't have them then we are in bad trouble, I think that is jumping the gun until we have had the opportunity to really look at it. And as the Mayor of Sparks, before I would push for it I would want to have all the questions answered.

MURPHY: In terms of making the legislation permissive and allow local entities to make determinations, these determinations would be made in public would they not? LILLARD: I certainly believe so, it would probably have to be a county wide issue, through the Washoe COG we would have to have a series of public hearings and I think it is our obligation to prove to the people that it is to their advantage before we could ever ask them to put them in and I think we would have to have a complete fiscal impact before we could make it mandatory. I would be in favor of the legislature making it permissive because you meet so seldomly, and we meet often enough that we would have a period of time when we are working continually on the problem that if it becomes a problem that we feel water meters will solve within the next two years, then we would have the right to get them started. I can't believe that we are in such a bind that the action has to be taken immediately.

Mrs. Westall commented that the history of the Sparks City Council was that of being able to make difficult decisions and getting the right questions answered before those decisions are made and that she supported the local entity making the water meter decision because the people would receive a fair hearing.

LILLARD'S TESTIMONY AND QUESTIONS FROM THE COMMITTEE CONTINUED

MANN: Based on your experience with dealing in this area and other things would it be your estimation that it would probably take at least a 2 year study to really have all the answers. LILLARD: I don't know. I meant that if it takes less than two years we can put it into effect, we don't have to wait for the Legislature if it is permissive legislation, but I would hate for it to be mandatory.

ROBINSON: I receive it loud and clear that you want this to be a decision made at the local level and if a crisis does develop in the area and it takes some drastic financing I hope that you have the same attitude then.

LILLARD: Yes we would. We would rather study it than make it mandatory.

ROBINSON: What I am getting at is that I wouldn't want you to have to come back to the Legislature asking the State of Nevada to bail you out, LILLARD: We might have to.

Mr. Craddock commented that he did not know of any that has studied this area at any length and has come back with negative feelings toward water meters. The most effective and the best way to apportion the cost of the utility is metering. Since the same company is serving gas and electricity, how do we distinguish that water is some kind of a different animal all of a sudden and should be handled in a different way. LILLARD: Gas is something you use up and water you don't use up. I am not against water meters, if we need them.

MANN: Would you consider the fact that if we come back here two years from now and we still have a water problem and many of the local areas have not done anything, they just refused to for whatever political reasons, would you then be willing to accept a mandate from the legislature? If we give you the two years to do the studies and start in the area of water meters and conservation of water, but if some of the local areas flatly refuse to do it for political reasons because of the heat from the people, and we come back in two years and find that nothing has been done, would you then still object to the legislature taking it in their hands? LILLARD: You are asking me about something two years in the future, we have 18 elected officials in Washoe County and I think they have to assume their own responsibility.