

MINUTES

WAYS AND MEANS COMMITTEE

NEVADA STATE LEGISLATURE - 59TH SESSION

March 9, 1977

The meeting was called to order by Chairman Mello at 8:00 a.m.

PRESENT: Chairman Mello, Mr. Bremner, Mrs. Brookman, Mr. Glover, Mr. Hickey, Mr. Kosinski, Mr. Rhoads, Mr. Serpa, and Mr. Vergiels. Mr. Bode Howard was excused due to illness.

ALSO PRESENT: Mrs. Peggy Glover, Director of the Department of General Services; Mr. Mike Meizel, Administrator of the Buildings and Grounds Division; Mr. Terry Sullivan, Purchasing Division; Mr. John Dolan, Assembly Fiscal Analyst; and Mr. Bill Bible of the Budget Division.

Department of General Services (Page 49)

Mrs. Peggy Glover, Director of General Services said the Department is made up of agencies who provide central services to all the other agencies. There are four major divisions: Printing, Purchasing, Central Data Processing, and Buildings and Grounds. The General Services budget is funded by four equal assessments from those four divisions. The budget supports a director, a secretary, and one quarter of the legal staff for the department. Mrs. Glover said the only increases in the budget are 5.5% salary increases for the director and the director's secretary, and increases for legal staff. Included this year is \$300 for in-state travel.

Buildings and Grounds (Page 51)

Mr. Mike Meizel explained that Buildings and Grounds comprises several agencies administratively: Motor Pool, Statewide Leases, Working Capital Fund, Marlette Lake, and the Lost City Museum. He said Buildings and Grounds gets its revenue mainly from rent charges which are charged to agencies owning their buildings, such as Fish and Game, and agencies that lease buildings where Buildings and Grounds provide janitorial and maintenance services. The Services Extra revenue is a charge Buildings and Grounds assesses agencies for remodeling or moving agencies from location to location, and various services other than maintenance. Buildings and Grounds also receives an appropriation for maintenance of the Governor's Mansion.

Mr. Mello commented that it was his understanding that the Committee should hear from Mr. Meizel and Mrs. Glover regarding cutting some existing positions. Mr. Meizel said that a productivity study was conducted on custodial services, and it was recommended that they do away with four custodial positions. They plan to do this within a year and a half through attrition.

Mr. Mello asked Mr. Meizel if they had any existing positions vacant, and he replied that they do. A Senior Building Custodian position is presently vacant in Las Vegas; it is a supervisory position. Late last summer they were going to fill the position but were reluctant to do so until they saw the results of the productivity study. This position will probably be filled very soon, he said. Mr. Meizel went on to say there is a heating and air conditioning specialist position vacant in Carson City. They have two positions in Carson for air conditioning specialists and were going to fill the second one late last summer, but one of these positions was vacated when a person transferred to Public Works. They found it takes about six months to a year to train one of these people, because it's a very technical job. What they do is use one to train the other. He said this summer or fall, they will hire the second one.

Mr. Mello noted that the department had had nine custodial workers and now have eight, and Mr. Meizel said that they had kept one position unfilled intending to fill it, and then cut it because they decided it wasn't needed. He said he wanted to point out that Buildings and Grounds was different from some other agencies in that they charge rents and services and bring in their own money. He said what they have tried to establish in the last year or so is that when they have a position become vacant, they reassess the situation to see if they need it. They don't automatically fill a position when it does become vacant, but may have several positions vacant that are cut later to save money which can be reflected in lower rent.

Asked to go over new positions, Mr. Meizel said they are asking for a General Building Tradesman in Las Vegas mainly because of the increased work load in the southern Nevada area. This person does general work, electrical, plumbing, carpentry, painting, whatever is needed in assisting others. They are asking for a Senior Clerk Typist in Las Vegas. At present, they don't have anyone to do the clerical work which ties up other people such as the Building Superintendent or the Area Superintendent. Also, the amount of paper work coming from Las Vegas has increased. They are also asking for one and a half positions for students to work approximately nine or ten months around the grounds and in helping move agencies. In Carson City, they are asking for one groundsman to be assigned to the Governor's Mansion.

Mr. Rhoads asked about other building rents; they only have \$10,000 and they are renting the old doctors' clinic in Elko. Mr. Meizel said that doesn't come under this but comes under a budget further down which is Statewide Leases. He said that budgeted amount is strictly for Buildings and Grounds for their facilities.

Mr. Mello asked for an explanation of taxes and assessments, and Mr. Meizel said Carson City charges them for a sewer assessment every year. It was \$15,621 in 1975 and 1976, and that is just an inflationary projection.

Mr. Serpa asked if heating fuel and electrical power included all the buildings they handle, and Mr. Meizel said that it does.

Statewide Leases (Page 55)

Mr. Meizel said this is a holding budget of all the revenue and all the expenditures that go to leasing most of the state buildings within the state. In other words, this budget has to balance out at the end of the year. The amount of revenue has to equal the amount of the expenditures they have.

Motor Pool (Page 56)

Mr. Meizel said this takes care of about 430 vehicles which are dispatched out of three locations, Carson City, Las Vegas, and Reno. Revenue comes out of these charges and from sales of old cars at auction time. He continued that this year they purchased 50 vehicles, and as of a couple of weeks ago, they had already put forty on the auction block and will probably replace the another ten. They raised the rates in July because the rates hadn't been adjusted since 1972.

General Services Working Capital Fund (Page 59)

Mr. Meizel said this is the budget which administrates the telephone service for the state, as well as the mail service. A percentage rate is charged for each phone or piece of equipment, The \$40,000 is a revolving fund which stays at \$40,000. There are no vacant positions. Mr. Mello asked if they had any trouble collecting from legislators on their telephone calls, and Mrs. Glover answered that they had had some problem with this, but that it was taken care of.

Mr. Mello directed the Committee's attention to page 61 and said to write CIP 77-12 at the top of the page. Also, "page 783 and the amount \$885,000" for the capital improvement project. Mr. Meizel said that was a tank they requested of the Public Works Board to be installed in Carson City. Presently, what they have are two open reservoirs which total about a million and a half gallons. They are open reservoirs, and if they continued with them, they would have to be roofed. While they are looking at the price of roofing them, they thought that if they had a three million gallon tank, they would more than double their water capacity and wouldn't have to roof the reservoirs. At that time, they could put in this water purification system which the state environmental health department says they will need for the water. So the Public Works Board has engineered this system, and this is what they came up with for a price.

Marlette Lake (Page 61)

Mr. Meizel said the Marlette Lake budget is the operating budget for the Marlette Lake water system, which provides water to all of the state buildings within this complex. Also, they supply water to Virginia City through sales to the Lakeview subdivision and to Carson City if they have surplus over and above their contract for water. It's strictly for the day to day maintenance of the water system with an item built in such as improvement to structure, \$5,000. That's for improvements they think they might have to make either to the water system or some of the property right around Lakeview. In this budget is a position for water master. All revenue is generated through sales of water.

Lost City Museum (Page 262)

Mr. Meizel said the Lost City Museum is under Buildings and Grounds and is located at Overton, Nevada. Basically, it is an artifact museum. There have been no dramatic changes in the museum during the last biennium. They do have an item in improvements of structures, which is \$800 the first year of the biennium and \$4,000 the second year, which is explained on page 263. The \$800 is for painting and repairing a picnic area, and the \$4,000 is to re-roof part of the living quarters.

Mr. Bremner commented that he attended a dedication of a new exhibit room three years ago, and all the state museum people were there. He asked Mr. Meizel why Lost City Museum couldn't be transferred to the State Museum where it seems to belong.

State Purchasing Department (Page 66)

Mr. Terry Sullivan said the Purchasing Division is responsible for the procurement of all office material and equipment for state agencies. They do this on a voluntary basis for the political subdivisions. Political subdivisions comprise approximately 22% of the total volume they do. They are funded from an administrative charge assessed for each requisition they receive. They have two buyer positions that are presently vacant, but they are interviewing now for one which will be located in Las Vegas. As soon as this person is properly trained and placed, they will begin recruitment for the second one for the Carson City office. In the past two years, they've voluntarily reclassified two positions from a grade 26 down to a grade 23, which they felt fell in line with the responsibilities of the positions. And recently, they demoted an individual from a grade 34 to a grade 28.

Mr. Sullivan pointed out that the statistical data in the narrative of the budget reveals that their volume has increased sharply in the last biennium from \$13 million to \$16 million. They are asking to continue the automated purchase order system authorized in the last biennium which is the largest single item listed. It's estimated that the facility charges will be about \$90,000 a year. The balance

of that line item is to complete the purchase order processing part of the system. Depending on how effectively the system operates, they then intend to automate the warehouse inventory and fixed assets. At that point in time, they will be able to produce a financial statement.

Mr. Sullivan said it is sometimes necessary for them to travel out of state to complete contracts or attend meetings, so they are asking for \$300 for that purpose. Within the state, they visit political subdivisions, travel to the Las Vegas facility, and open bids in Las Vegas. Within about a year, a full-branch office will serve that area, and they are not asking for new positions or funds to accomplish this.

Mr. Mello commented that they have an Account Clerk in Carson City, and it appears that the Governor is not recommending this position. He asked if it could be dropped. Mr. Bible said this position is associated with the automated purchasing system; that there is one position in this budget and two positions in the accounting budget which his office was going to be reviewing soon. He said the Governor is not recommending it be continued because of the new system coming on line. Mr. Mello asked Mr. Sullivan if he agreed to that, and he said yes. They've never had it filled, so they were actually saving it until they got the system and didn't consider it a loss.

Mr. Sullivan went on to say that the surplus property section of the Purchasing Division distributes federal surplus property to schools, hospitals, civil defense and other tax supported organizations. Less authority is requested in this budget over the last biennium because business has decreased. However, in October of this year they're going under GSA and at that point in time, they'll be a sole state agency for surplus property, and according to the government, business is going to increase drastically. They are simply waiting to see. It will simply be necessary for them to go to the budget office and ask for more help. But they feel they'll generate the funds and wait and see. They have asked for nothing new, and are reducing the staff by one.

Commodity Food Program (Page 72)

Mr. Sullivan said the food program, in addition to serving schools, institutions & Title VII summer camps, is now involved in distributing food to needy families on Indian Reservations. This budget is also funded from an administrative charge assessed for each case of food delivered except for the Indian families. In the case of the Indian families, it is necessary for them to have an appropriation, and they are asking for \$10,000 in each half of the biennium. In addition to that, they get federal funds, and there isn't a requirement for matching funds, but the government will not provide anything unless the state puts up a share.

Mr. Glover asked for clarification of the \$10,000 and asked if that is to match federal money, and Mr. Sullivan said it was not exactly a match. He said they don't have a law for it, but the federal government tells them verbally that unless they pay a portion of it, there will be no federal monies. Mr. Glover asked if the state agency deals directly with the Bureau of Indian Affairs, and Mr. Sullivan said yes, they deal directly with the reservations on an individual family basis. He said it's a welfare program whereby they distribute food which comes from the federal government, and there is no way they can assess a charge for delivering the food, and that is why they ask for the appropriation.

The rest of the meeting involved closing budgets.

Department of General Services - Director's Office (Page 49)

A motion was made by Mr. Bremner and seconded by Mrs. Brookman to adopt the Governor's recommendation. The motion was approved.

Buildings and Grounds (Page 51)

A motion was made by Mr. Vergiels and seconded by Mr. Bremner to adopt the Governor's recommendation. The motion was approved.

Buildings and Grounds Statewide Leases (Page 55)

A motion was made by Mr. Hickey and seconded by Mr. Rhoads to adopt the Governor's recommendation. The motion was approved.

Motor Pool (Page 56)

A motion was made by Mr. Bremner and seconded by Mr. Rhoads to adopt the Governor's recommendation. The motion was approved.

General Services Working Capital Fund (Page 59)

A motion was made by Mr. Rhoads and seconded by Mr. Bremner to adopt the Governor's recommendation. The motion was approved.

Marlette Lake (Page 61)

A motion was made by Mr. Serpa and seconded by Mr. Hickey to adopt the Governor's recommendation. The motion was approved.

Purchasing Administration (Page 66)

A motion was made by Mr. Vergiels and seconded by Mr. Rhoads to adopt the Governor's recommendation. The motion was approved.

Surplus Administration (Page 70)

A motion was made by Mr. Serpa and seconded by Mrs. Brookman to adopt the Governor's recommendation. The motion was approved.

Commodity Food Program (Page 73)

This budget was held by the Committee.

Special Fund (Page 22)

A motion was made by Mr. Bremner and seconded by Mr. Glover to adopt the Governor's recommendation. The motion was approved.

Private Detective (Page 24)

This budget was held by the Committee.

National Guard Benefits (Page 561)

A motion was made by Mr. Glover and seconded by Mrs. Brookman to adopt the Governor's recommendation. The motion was approved.

Civil Defense & Disaster Agency (Page 562)

A motion was made by Mrs. Brookman and seconded by Mr. Rhoads to adopt the Governor's recommendation. The motion was approved.

Personnel and Administrative Program (Page 564)

A motion was made by Mr. Hickey and seconded by Mr. Glover to adopt the Governor's recommendation. The motion was approved.

RADEF Program (Page 565)

A motion was made by Mrs. Brookman and seconded by Mr. Rhoads to adopt the Governor's recommendation. The motion was approved.

F.D.A.A. Program (Page 567)

A motion was made by Mrs. Brookman and seconded by Mr. Glover to adopt the Governor's recommendation. The motion was approved.

Hardware Program (Page 569)

A motion was made by Mrs. Brookman and seconded Mr. Glover to adopt the Governor's recommendation. The motion was approved.

Surplus Property Civil Defense (Page 570)

A motion was made by Mr. Rhoads and seconded by Mr. Hickey to adopt the Governor's recommendation. The motion was approved.

Civil Defense & Disaster Agency Emergency Planning Program (Page 571)

A motion was made by Mrs. Brookman and seconded by Mr. Rhoads to adopt the Governor's recommendation. The motion was approved.

Mr. Bremner asked if the Senate had taken action on these budgets, and Chairman Mello said they have on Civil Defense, P and A, and RADEF.

Parole and Probation Federal Grants (Page 532)

A motion was made by Mr. Kosinski and seconded by Mr. Bremner to adopt the Governor's recommendation. The motion was approved.

Parole and Probation (Page 526)

A motion was made by Mr. Glover and seconded by Mr. Vergiels to adopt the Governor's recommendation. The motion was approved.

Office of the Director - Nevada Prisons (Page 502)

A motion was made by Mrs. Brookman and seconded by Mr. Hickey to adopt the Governor's recommendation. The motion was approved.

Nevada State Prison (Page 511)

A motion was made by Mr. Vergiels and seconded by Mr. Hickey to adopt the Governor's recommendation. The motion was approved.

Northern Nevada Correctional Center (Page 514)

A motion was made by Mrs. Brookman and seconded by Mr. Hickey to adopt the Governor's recommendation. The motion was approved.

Southern Nevada Correctional Center (Page 518)

A motion was made by Mr. Vergiels and seconded by Mr. Rhoads to adopt the Governor's recommendation. The motion was approved.

Pre-Release Center (Page 521)

Mr. Kosinski asked that this budget be held for now.

Nevada Women's Correctional Center (Page 523)

The Senate has deleted two correctional officers from the four for each year. A motion was made by Mr. Kosinski and seconded by Mr. Hickey to adopt the Governor's recommendation. The motion was approved.

California-Nevada Compact (Page 643)

A motion was made by Mr. Bremner and seconded by Mr. Hickey to adopt the Governor's recommendation. The motion was approved.

Colorado River Resources (Page 644)

A motion was made by Mr. Bremner and seconded by Mrs. Brookman to adopt the Governor's recommendation. The motion was approved.

Tahoe Regional Planning (Page 646)

A motion was made by Mr. Kosinski and seconded by Mr. Hickey to adopt the Governor's recommendation. The motion was approved.

Forestry CETA (Page 655)

A motion was made by Mr. Rhoads and seconded by Mr. Bremner to adopt the Governor's recommendation. The motion was approved.

Forestry Nurseries (Page 657)

A motion was made by Mr. Rhoads and seconded by Mr. Bremner to adopt the Governor's recommendation. The motion was approved.

CETA I Forestry Clark (Page 656)

A motion was made by Mr. Bremner and seconded by Mrs. Brookman to adopt the Governor's recommendation. The motion was approved.

Forest Fire Suppression (Page 660)

A motion was made by Mr. Rhoads and seconded by Mr. Bremner to adopt the Governor's recommendation. The motion was approved.

Forest & Watershed Rehabilitation (Page 661)

A motion was made by Mr. Rhoads and seconded by Mr. Bremner to adopt the Governor's recommendation. The motion was approved.

Fish and Game Boat Act (Page 704)

A motion was made by Mr. Glover and seconded by Mr. Bremner to adopt the Governor's recommendation. The motion was approved.

Mr. Mello said the Director of the Lost City Museum (Page 262) will be asked to appear before the Committee on Thursday, March 17.

The meeting was adjourned at 10:35 a.m.