

JOINT MEETING
SENATE FINANCE COMMITTEE
ASSEMBLY WAY AND MEANS COMMITTEE
MINUTES OF MEETING

JANUARY 25, 1977

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

Senator Floyd R. Lamb was in the chair.

PRESENT: Senator Floyd R. Lamb, Chairman
Senator James I. Gibson, Vice-Chairman
Senator Eugene V. Echols
Senator Norman D. Glaser
Senator Norman Ty Hilbrecht
Senator Thomas R. C. Wilson
Senator C. Clifton Young
Assemblyman, Donald R. Mello, Chairman
Assemblyman Eileen B. Brookman, Vice-Chairman
Assemblyman Douglas Roger Bremmer
Assemblyman Alan Glover
Assemblyman Thomas J. Hickey
Assemblyman James N. Kosinski
Assemblyman John Serpa
Assemblyman John M. Vergiels
Assemblyman Melvin Howard
John Dolan, Chief Deputy, Fiscal Analyst
Ronald W. Sparks, Chief Deputy, Fiscal Analyst

OTHERS: Neil Humphrey
Mary Jo Antunovich
Harry P. Wood
Charles Donnelly
Niels Anderson
Edward Pine
Ray Knisley
Don Baeppler
Robert Hill
Lloyd P. Smith
Max Milam
Cy Ryan, UPI
Bob Welkos AP
I. J. Sandorf
John Sparbel
William Bible
Bruce Arkell
Howard Barrett
Ann M. Hibbs

NEVADA STATE PUBLIC WORKS BOARD

Mr. William Hancock, Secretary-Manager of the State Public Works Board continued the discussion carried over from the previous day in connection with Project 77-9. This is for an appropriation of \$185,000 to build a 16-unit motor pool operation in Las Vegas. This is to be built on state owned property and would include an office, a service station activity.

Senator Lamb questioned the need of a service station.

Mr. Hancock explained that the growth of the operation had made their present arrangement inadequate for efficient functioning of the motor pool. Because of their inability to store gasoline in large quantities at their present location, the agency had to make their purchases from regular commercial sources thus adding considerably to the costs of operation.

HIGHWAY PATROL OFFICE IN JEAN

Project 23. Mr. Hancock stated that there is no port of entry presently in operation at Jean. The previous one was torn down five or six years ago, so there is presently no existing facility within the Jean area.

STATE OFFICE BUILDING IN ELKO COUNTY

Project 77-27. Mr. Hancock stated that he had been requested to list the occupants in the proposed state office building

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in Elko County with specific reference to the Employment Security Division. The building will house Welfare, Nevada Industrial Commission, Highway Patrol, Motor Carrier, Drivers License, Water Resources, Public Service Commission, Parole and Probation, Rehabilitation, Health Division, Department of Sanitation, Department of General Services, Narcotics, Rural Clinics and the Forestry Division when it is completed.

He stated that ESD apparently got involved in a private lease up there and the owner did some remodeling for them; when the ESD were told they were going to be in the new building there was a law suit threatened, so they will remain in privately owned space until August 31, 1981, at which time that lease will expire and they will move into the office building that will be planned to house them at that point.

FORESTRY AND HIGHWAY MAINTENANCE

Project 7728. Mr. Hancock reported on the question of whether the Forestry Maintenance and Highway Maintenance could work together on maintenance activities. He stated that after talking with Mr. Phelps of the Highway Dept, who is the Business Manager down there, the indication was that neither the Highway Department nor the Forestry Division was capable of helping each other, due to varied workloads; also that the Forestry Service mechanics are used only in fire protection work. They are not supposed to be solely mechanics.

Senator Lamb pointed out it would save money if they could help the General Fund.

Mr. Hancock stated it didn't seem that they could put them over there in the Highway Department at this date and time without putting more activity into the Highway Dept.

Senator Wilson inquired if they had tried to do this before, by contract methods. He stated that it didn't make a lot of sense to have buildings for separate maintenance.

Mr. Hancock advised there had been some contract work between General Services and the Highway Department and Motor Pool operations. This had happened here in Carson.

Senator Wilson suggested that the committees would want to talk with these people before these items were included in the capital improvement budget. He felt that the two divisions should get together on a contract basis in lieu of building a separate garage facility for the Forestry Division.

Mr. Hancock suggested that the Forestry operation was basically building fire trucks more than it was maintenance of them.

Senator Wilson said he couldn't see the difference between building or maintenance; they would be using the same type of tools and material.

Assemblyman Vergiels said he felt that the Forestry Division's answer reinforced the position that they could share. The fact that they are sort of part time and they could double up as they would be out of the facility some of the time.

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FIRE TRUCKS AT LEE CANYON

Mr. Hancock stated that he was reporting, by request, on the reason why two trucks were needed in Lee Canyon and whether rental facilities would be available up there. With reference to the two trucks, one is basically a first aid sort of fire truck, a small pick-up with a limited fire fighting capability and is used primarily for a fire discovered along the roadway, or something like that. The other truck is an 800 gallon truck and would be the main fire truck for the service up there.

The foresters' main responsibility in that canyon is to protect private property both structure and land. It was generally agreed that the best thing to do was to build a two unit fire station up there. A man would live up there full time and in the winter time, he would fight structural fires as well as land fires.

STRUCTURAL REHABILITATION OF THE CAPITOL BUILDING

Mr. Hancock reported on a request to investigate the cost of the structural rehabilitation of the Capitol Building vs the architectural. The breakdown is roughly 53% on architectural \$2,761,600 and for the structural activity, \$2,385,400.

Senator Hilbrecht specified he was interested in leaving the building pretty much the way it is, but simply making it structurally sound.

Senator Wilson stated that there was a total amount of money for the reconstruction of the Capitol Building covering both structural rework to make it safe and interior redesign for more efficient use. The request made the previous day was for the total bill of the structural work without extensive remodeling that was discussed at that time. He cited the figure given for the structural and asked if that meant returning it to its present use or whether that meant no use at all.

Mr. Hancock said this would be no use at all, it would simply make the shell structurally sound.

Senator Wilson asked the cost of returning the building to its present use without the remodeling that was contemplated. Mr. Hancock stated that further remodeling for this purpose would be two or three hundred thousand dollars.

NATIONAL GUARD AND AVIATION ARMORY

Mr. Hancock said he had been asked to check on the armory request and he had discussed it with the National Guard. He introduced Mr. Dick Baker and asked him to present the information.

Mr. Baker stated that there had been a question "Why so many armories?" and he would try to explain the reasons. The aviation armory at Stead is a new unit that was created by the federal government in June of 1975. Therefore, this is the first opportunity that the National Guard has had to come before the Legislature and ask for an armory.

The Aviation Flight Facility will be located at Stead at the same location as the armory and they will just about use up all of the space at that particular location. They have 10 acres there which they are going to lease from the City of Reno.

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Senator Gibson inquired if they were moving equipment from the airport.

Mr. Baker advised that all the army national guard stuff at the airport, the helicopters and small planes would be moved, not the jets. The aviation armory at Stead cannot be placed in Sparks to combine with the Sparks armory because of the noise and other factors.

Senator Lamb Inquired if Sparks could be sent to Stead.

Mr. Baker said this would not be feasible, because the Stead Armory had used up most of its space. The location at Stead is at the far end and it is hard to get to. They feel they can recruit better if the units are in Sparks. The city has an interest and wants the armory in Sparks. Also the National Guard feels it would be better able to identify with the community if the unit were placed in Sparks.

Senator Wilson stated that he did not feel the move from Stead to Sparks was justified.

Mr. Baker explained that the building at Stead was an old World War II wood frame building and was inadequate for the needs of the facility and that the maintenance was very high.

Senator Wilson stated that he felt it would be better to build one improved facility and have it in one place. He asked Mr. Baker to convey to the National Guard the fact that he did not believe their request had been justified by information to date.

Senator Lamb stated that he felt that when Mr. Edsel, Adjutant General of the National Guard, came before the committee he would have some enlightening information.

Mr. Baker continued on to the North Las Vegas armory, which is a leased building. It is too small for their needs. Two units that have been moved from Winnemucca and Elko and the headquarters units are already there. These are similar type units so they are centralizing those.

The armory at Elko is to be used for a headquarters unit and, as a headquarters unit has more officers and staff, they need more office space.

Senator Lamb: Could the same apply in Southern Nevada as we are talking about up here, more or less? How far apart are they - 3 miles?

Mr. Baker advised there was one on Stewart and Eastern and one on Henderson and a request for one in North Las Vegas.

Senator Wilson expressed his disbelief as to the need for so many armories.

Mr. Baker stated that there were only requests for three.

Senator Lamb stated that he didn't believe there was a need for so many in one certain area of Las Vegas.

He stated he wanted to call the attention of the money committees to Project 7705 for the Human Resources Building. He felt at the proper time they should have some discussion on this as he didn't believe the clientele was in any certain area of Las Vegas. He felt if the state was going to run out of land, they should start moving now instead of waiting

Senator Lamb (Cont): until they had to buy more land, especially when the land on Jones and Decatur was available.

He then introduced Neil Humphrey, Chancellor of the University of Nevada System, to present the CIP budget for the University System.

Mr. Humphrey explained that in accordance with state law, by February 1st of every legislative session, the University of Nevada System must present an updated comprehensive 4-year plan. Since 1973, the University has followed this same concept in bringing the UNS capital improvement program to the Legislature.

He explained the sources of funding available to the University and the use of these funds and stated that these dedicated funds were very important to the University in carrying forward its growth plan.

He stated that the UNS proposal for the next 4 years included 13 projects which totaled \$37.9 million and explained that this program could be accomplished by use of these dedicated revenues. He advised there were two additional projects involving 3 buildings, totaling \$4.3 million that would require general fund appropriations to be accomplished in the 4-year period. Because a plan of this magnitude involves extensive explanation, he asked Harry Wood, Architect, to explain the individual projects with the use of slides. When Mr. Wood finished, the presidents would then speak.

Mr. Wood made his slide presentation, assisted by Mary Jo Antunovich.

Upon conclusion of the slide presentation, Mr. Humphrey introduced Dr. Lloyd L. Smith, President of the DRI.

President Smith stated that the nation as well as the State of Nevada are trying to solve many technical problems such as pollution, energy, energy conservation and energy generation and he felt that the DRI could serve as a focus for possible solutions. He explained that they are in contact with neighboring states and felt it was necessary to provide more in research and development for Nevada. This can be best done in areas next to the problems. He felt that DRI was unable to provide the kinds of service it should to the southern part of the state. He felt that the solar energy facility would provide something very useful because wherever you find a facility of this type, you find industry coming to that place. DRI believes very strongly that industry must be attracted to Nevada.

Dr. Max Milam from the University of Nevada, Reno, was the next speaker. He discussed some of the capital improvement needs that exist now at the UNR. He discussed Project 77.32, the Business Administration Building and the needs for it; also Project 77.1, the Fine Arts Building, part of which is presently housed in quonset huts.

Senator Lamb asked for figures on the growth of both universities. Mr. Humphrey referred him to the Executive Budget, page 175, for enrollment projections.

Dr. Don Baepler of the University of Nevada, Las Vegas, was introduced and detailed reasons for the remodeling of Tonopah Hall, Project 7716, as a growing need for office and classroom space. It would house two colleges and thus open up much needed space for the College of Arts and Letters. He stated that dormitory living was growing

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Dr. Baepler (cont): increasingly unpopular across the country and the space could be better utilized.

Senator Lamb interrupted the presentation to ask if there were any questions on Project 77-16.

Senator Gibson asked if the dormitory building was built with revenue bonds. Upon being advised that it was, he asked if they were anticipating any complications by changing the use of the building.

Mr. Wood stated that they did not expect any complications because universities across the country who had funded buildings by this means and had found the building did not lend itself to the original planned usage had been allowed to negotiate with the federal government to change the building into something more productive. He explained that this building would have approximately 60,000 square feet, total, of use after remodeling.

Mr. Humphrey explained that this project was cross funded with the dining hall and cross pledged with revenue from both. Mr. Baepler continued with Project 77-26, explaining that at the present time the library was overcrowded and they were being forced to take over areas from the students which should be used for stack space and study areas. They felt this project would carry the University into the '80's. He stated this was one of the most critical problems on the campus.

Assemblyman Serpa asked if after spending \$7. million to last into the early 80's, could they then anticipate more problems? With this projection they were talking about a million a year.

Dr. Baepler said it should not become a problem until '83 or '84 and then it would be several years before it appeared in the capital improvements budget again.

Senator Hilbrecht asked, with reference to the library, if the structure was going to be physically developed so additional floors could be added.

Dr. Baepler explained that they could not build on it as it was a circular building and did not lend itself to this, however, he stated there was plenty of land in that area, so it was not a problem.

Senator Lamb asked Bill Hancock why they didn't plan to pour heavy footings so they could build up, as he felt it was necessary to conserve land space because land is becoming so expensive.

Mr. Hancock stated that they did do that quite often, the Library is an example.

Senator Glaser referred a question to Dr. Milam saying it had been brought to his attention that there was danger of the Mackay School of Mines losing its accreditation because of the condition of the buildings. He wanted to know if this were true and if so, why was there not something in the budget to upgrade the Mackay School of Mines buildings.

Dr. Milam said they were aware of the problems and had tried a private fund raising drive in order to do something about them, unfortunately it had not been very successful. He felt the problem was almost as much the equipment as the buildings.

Mr. Humphrey stated that the answer to any danger of losing the accreditation was "no".

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Senator Gibson asked if the Mackay School of Mines was not one of the University charter requirements.

Dr. Milam said he thought it was less that it was a charter requirement than because of the importance of mining to the Nevada economy.

Senator Gibson stated that he believed it was in the constitution. He then asked about an addition to the stadium - 77G2.

Dr. Milam said that this appeared in the Governor's budget. It was not on his priority list.

Senator Lamb declared a 10 minute break.

The meeting reconvened with Dr. Charles Donnelly, President of the Community College speaking.

Dr. Donnelly opened by expressing his thanks to the Legislature for the support they had given to the Community College Program. He stated that there were 2 projects approved by the Board of Regents which were not included in the Executive Budget. Because of their high priority on the university list, he wanted to list them. The first was for campus improvement for the Northern Nevada Community College with a request for \$126,000 and \$65,000. This money was to come from the C.I.F. paid by the students and \$61,000 from the higher education fund. This was to provide parking facilities and a wall and fence around the agricultural facility. The second project was campus improvements on the Carson City campus which is the Western Nevada Community College. This was to come from the capital improvements fund paid by the students for a total of \$92,000.

Mr. Barrett: If the projects are not in the budget it is because they did not make it through the Public Works Board.

Dr. Donnelly stated that on project 77-25 there was a need for facilities so that occupational classes could be held in the daytime.

Project 77-33 is the West Charleston campus of Clark County Community College: a request for \$7,232,000. He explained it had always been the long range plan to have 3 campuses to serve the Las Vegas area through the Community College system. Their plan projected that the maximum number of students on one campus should not exceed 5,000. By the time this new West Charleston campus was completed they projected that there would be 5,000 students on the North Las Vegas campus.

Senator Lamb asked if there was any reason why the Community College schools should have smaller enrollments than the other campuses.

Dr. Donnelly explained that in the Community College program the philosophy was that it was best to serve people in the community in which they lived and for maximum efficiency that number should not exceed 5,000.

Senator Lamb said he understood that and he knew that no one believed more strongly in the Community College than he. However it must be recognized that the Legislature had their political futures on the line trying to consolidate services in the state or in Southern Nevada. He believed that another school would create another level of administration.

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Dr. Donnelly said he didn't believe this was so. They were planning to have one administration in the Clark County Community College for all campuses.

Mrs. Brookman said she feared the West Charleston campus would be segregated. She expressed her interest in Community College.

Dr. Donnelly stated that they did not plan to have the same kind of programs on each campus.

Mrs. Brookman said she felt they should add to the existing campuses as there really was not a problem in getting to any campus in the Las Vegas area.

Senator Lamb said, in reply to Dr. Donnelly's statement that it increased the cost to the student to commute, that it also increased the cost to the taxpayer, of which the students were a part.

Assemblyman Hickey asked about the building-use ratio, the actual occupancy.

Dr. Donnelly said it was considerably above average in use, compared to California.

Mr. Humphrey explained that a space utilization study, made in the fall of 1976, would be ready in about two weeks. This would cover all the campuses in the University system.

Dr. Donnelly said, in reply to Senator Hilbrecht's query, one of the reasons they were interested in the West Charleston campus was that the state already had some considerable interest there in the mental health area and behavioral science. They were planning to integrate some of the services and the presence of Bonanza High was an inducement. They planned to work with Mental Health; their nursing programs and all the para-medical programs could be in conjunction with them.

Senator Hilbrecht said that he felt those activities would justify the campus at West Charleston.

Senator Lamb asked if it was correct that they had 625 courses at the Community Colleges.

Dr. Donnelly stated that it was 625 individual sections, not courses. For example there were 40 or 50 sections in English Composition etc.

Assemblyman Vergiels expressed concern over the duplication of supplies, office space and the attendant duplication of operational budgets and other support activities.

Dr. Donnelly acknowledged that there was some necessary duplication necessary in those as well as other areas. He stated the main function would be the North Las Vegas campus with others as branches if the system continued to operate as it does now.

Dr. Donnelly continued with the project in Henderson, 77-49, which was a part of the total plan to provide service to other areas.

Project 77-56 is an expansion of Western Nevada Community College in Carson City which initially did not have enough money to build the total plant as planned. These funds would bring it up to the initial projections.

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Dr. Donnelly stated that the land for the campus in Elko, the one in Reno and the one in Carson City and those in Las Vegas had been given to them and did not involve tax funds.

Discussion followed on the sites and methods of obtaining campuses in Fallon and Henderson and the other classes that were being conducted and earning credits in the Community College that were active in other parts of the state. Dr. Donnelly explained how they determined the projected number of students who would participate in the program and how they arrived at these projections. He said that he had excellent cooperation from high schools all over the state and it was possible to use the high school class rooms wherever they were available. He stated that the classrooms worked out well for some subjects, but they were not adequate for occupational or mechanical courses.

Senator Gibson said he was concerned that if the state was going to operate all these facilities, what was going to happen 5 years or 10 years from now. He asked if, when the hearings were held on the individual projects, they would be prepared to bring their projections on operating needs as these facilities come into being, because these hit right at the general fund revenues. He believed that they had come from about \$300,000 to \$7 1/2 million a year in Community College operating costs in the time since the program was started in Elko, not so long ago. He wondered what the figure would be in 1981. He stated that before he voted on the facilities he wanted to see if it fit in with the projected availability of operating funds. He reminded them that already they were being restricted in their requests for operating funds in the various programs. The Governor's budget represented a considerable cutback from what they felt was needed in both the University and the Community College programs. He felt the addition of the new facilities would make it even more binding.

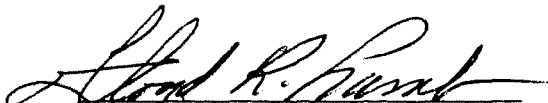
Mr. Humphrey stated that they would do their best to honor the requests for information which had been made. He announced the conclusion of their presentation.

The meeting adjourned at 10:30 a.m.

RESPECTFULLY SUBMITTED


MURIEL P. MOONEY, SECRETARY

APPROVED:


FLOYD R. LAMB, CHAIRMAN

SENATE FINANCE COMMITTEE

ROOM # _____

DAY Tuesday DATE 1-25

NAME ORGANIZATION ADDRESS PHONE NUMBER

*NOTE: PLEASE PRINT ALL THE INFORMATION CLEARLY!!!!!!

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DON BREPLER	UNLV	LAS VEGAS	739-3201
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