

GOVERNMENT AFFAIRS COMMITTEE

Minutes of Meeting - January 24, 1977

Present: Chairman Gibson  
Senator Foote  
Senator Faiss  
Senator Hilbrecht  
Senator Gojack  
Senator Raggio  
Senator Schofield

Also Present: (See Attached List)

Chairman Gibson called the third meeting of the Government Affairs Committee to order at 2:05 p.m. with all members present.

SB-30 would be heard at 3:00 p.m. by both Assembly and Senate Government Affairs Committees.

The first order of business was consideration of committee introduction on BDR-31-679. Senator Raggio gave the committee some history behind this request.

BDR-31-679

An Act relating to state financial administration; providing for a state accounting advisory committee; requiring annual financial statements by publicly funded state agencies; and providing other matters properly relating thereto.

Motion for Committee Introduction by Senator Hilbrecht, seconded by Senator Schofield. Motion carried unanimously.

SB-32

An Act relating to the legislative auditor; expanding his responsibilities and duties concerning the legislative payroll; and providing other matters properly relating thereto.

Frank Daykin, Legislative Counsel Bureau, stated that this was just a measure to keep the payroll and tax information within the legislature rather than have this task performed by the State Controllers office, thus giving parallel authority to the Auditor.

Earl T. Oliver, Legislative Auditor, informed the committee that this was merely a housekeeping measure and the Audit Division does handle all the payroll functions for the entire Legislative Counsel Bureau.

Motion of "Do Pass" by Senator Hilbrecht, seconded by Senator Schofield. Motion carried unanimously.

SB-36

Senate

An Act relating to public livestock sales; deleting the requirement that livestock sale receipts be delivered to the state department of Agriculture.

Bob Dimmick, Deputy Legislative Auditor, indicated that section two of the NRS Statute 573.110 does not appear to be necessary and, therefore, should be deleted.

Tom Ballow, Executive Director of the Department of Agriculture reiterated Mr. Dimmick's statement and suggested the bill be passed in order to eliminate this statute.

Motion of "Do Pass" by Senator Schofield, seconded by Senator Hilbrecht. Motion carried unanimously.

With no further business the meeting was recessed until 3:00 p.m.

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Chairman Gibson called the meeting to order again at 3:00 p.m. with the following committee members present:

Chairman Gibson	Chairman Murphy (Assembly)	
Senator Foote	Mr. May	
Senator Faiss	Mr. Craddock	Mrs. Westall
Senator Hilbrecht	Mr. Jeffrey	Mr. Rhoads
Senator Gojack	Mr. Mann	
Senator Raggio	Mr. Moody	
Senator Schofield	Mr. Robinson	

Chairman Gibson informed the committee of the urgency and time element regarding this bill and a brief history of action taken during the 1973 session.

SB-30

An Act relating to water pollution; specifying certain powers, duties and procedures which apply if state securities are issued under the County Sewage and Waste Water Law; reducing the permissible amount of such securities; and providing other matters properly relating thereto.

Thalia Dondero, Chairman of County Commissioners in Clark County, introduced the various people who would testify to the committee on SB-30.

Mr. Jim Parrott, Clark County Sanitation District General Manager, indicated why there was a need for SB-30. He indicated that there is large discharge of secondary fluids existing from the Las Vegas Valley. Some time ago the State and EPA set standards for discharge coming from the two treatment plants. The treatment plants can not meet these standards.

To meet these standards the county designed and has now bid on a project to fulfill these standards. The bill before us now will fit these needs and is quite general in nature.

Chairman Gibson indicated that due to the Supreme Court's decision on special legislation it appears necessary to modify the act so

that there would be no question of its intent.

Frank Daykin, Legislative Counsel Bureau, indicated that the new sections of the bill essentially add the same detail that effect the power of the State and state securities issued that was already provided in the County Sewage and Waste Water Law for the county when county securities were issued.

Mr. Daykin noted that another significant feature in the bill is that some of the provisions which were in the County Sewage and Waste Water Law actually could have applied only to Clark County because they referred specifically to the pollution abatement project for the Las Vegas Wash and Bay. They have been taken out of the bill.

Mr. Daykin went over the bill completely for the committee indicating the other various changes and their impact. In Section 30 Mr. Daykin indicated two major items: 1) It reduces the authorized amount of bonds, state securities, which may be issued from 65 million to 40 million. 2) It removes the requirement shown in subsection 2 that the power to issue state securities would diminish according to the amount of federal aid received.

Mr. Robert Johnson, Clark County bond counsel, indicated that there were several changes that he would like to have made. First in the title of the act. The word in the third line, "reducing" be changed to "fixing". We are not asking for a reduction in authorization, the bill is more general by nature and the term fixing is a more neutral term. Mr. Daykin noted no objection to the change.

Mr. Johnson called attention to page 6, line 24 - suggested the deletion of the word "alternative". Page 7, line 6 - would like to add the word "state," before the word county at the end of line 6. Again on Page 7, line 46, add "state," before the word county. Also, after the words "public body," add the phrase "as the case may be," and in line 47, before the word county add "state,". On Page 10, line 28, reverse the brackets so it shows the end of the deletion rather than the starting of another deletion. Page 18, line 38, suggests the addition of a "," after the word project.

The federal government requires a system of use charges which are applied uniformly on all users of the system, both directly and indirectly. This means that we need to add language which will apply to individual users and have a system of collecting those charges rather than just collecting from a public body.

Mr. Johnson indicated that he will prepare the proper language and bring it back to the committee for consideration.

Mr. Guild Gray, Financial consultant to Clark County (Burrows & Smith) stated that if we do get full federal funding on this project we will only need about 16 million of the 40 million allowed. If we do not get federal funding we will need about 30 million. The reason for the 40 million figure is that there needs to be a factor of safety involved. A cloud is over the lowest bid and its possible that the next lowest bid will be taken. There is a difference of \$2 million between the lowest and the next lowest bid.

Mr. Parrott informed the committee that the county has contracted for a rate study that is yet incomplete. A personal study was conducted by Mr. Parrott and the following figures were given to illustrate the cost factor to the committee. A nominal bond sale, including reserves costs 18 million at 5.5% for 30 years with semi-annual payments. The debt service would be \$1,231,000. Mr. Parrott estimated that the maintenance of the facility would be \$2,686,875. Salaries for general and administration would be approximately \$817,756. Solids disposal - \$938,702. Miscellaneous expenses would be \$67,525. A total of operation and maintenance costs for the facility were approximated at \$6,242,078 per year.

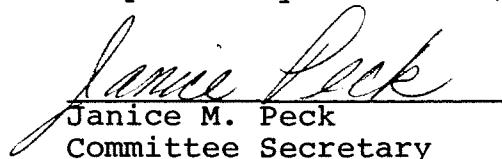
Chairman Gibson requested that Mr. Gray give the committee the time restraint factor on the bill. Mr. Gray indicated that if the county meets its obligation a contract will be awarded on 3-17-77. Since we don't have the time to set up long term financing we must set up interim debentures for approximately 5 million. This would carry us through 7-1-77, whereby we would be able to issue the long term bonds and retire the short term borrowing bonds. If we don't have something to work with by the middle of March it will be difficult, if not impossible, to have a bond sale by June 1st which would give the district money by July 1st.

Chairman Gibson requested that the proper amendments be written by Mr. Johnson and the committee will take action at that time.

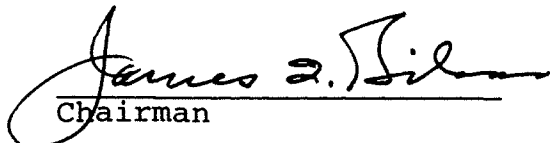
During the course of the meeting Senator Raggio requested that some consideration be given to changing SB-30 in order to include Washoe County. This was discussed and the decision was to get SB-30 taken care of for the Clark County issue now and discuss changes later in the session in order to include Washoe County. There were many facets of the bill that would have to be changed in order to include Washoe County.

With no further business the meeting was adjourned at 4:20 p.m.

Respectfully submitted,

  
Janice M. Peck  
Committee Secretary

Approved:

  
Chairman

GUEST REGISTER

GOVERNMENT AFFAIRS COMMITTEE

DATE: 1-24-76

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THOSE WISHING TO TESTIFY SHOULD IDENTIFY THEMSELVES BEFORE GIVING TESTIMONY.....

NAME	DO YOU WISH TO TESTIFY	BILL NO.	REPRESENTING
Carl Oliver		SB 32	Legislative Auditor
Robert J. Dimmick	YES	SB 36	Deputy Legislative Auditor
Thomas Mallon	NO	SB 36	Nev. Dept of Agriculture
Paul Unikes	NO	SB 30	CHPS, HEALTH DIV.
Ernie Gregory	NO	SB 30	Nev. Environmental Protection Council
Charles Sobell	NO		Residence - Journal
Robert Starnes	NO	-	Nev League of Cities
Robert W. Johnson	YES	S.B. 30	Douglas, Ingham, Sherman & Howard, Planning Clark County - Board of Commissioners
Victor W. Priebe	YES	S.B. 30	Clark County
JAMES H. PARROTT	YES	SB-30	CLARK County
Paul Guild Gray	YES	SB-30	Bureau, Faith & Co of Nevada
Supu Armstrong	NO		Las Vegas SUN
Lucas J. Jorum	NO	SB-30	Douglas County Commissioners
DEL CARLO	NO	SB-30	F.N.B. OF NEVADA
Quinn J. Salant	?	SB 30	League of Women Voters Nevada
Thalia Douglas		SB 30	County Commission
Bob Bumbert		SB 30	Clark " "
Paul Dunker		SB 30	city of L.V.
Paula Langels	NO	SB 30	Private Citizen
Bird Flanga	NO	SB 30	Private Citizen
WILL BLONSLY	NO	SB 30	Clark County Health District

SENATE

AGENDA FOR COMMITTEE ON GOVERNMENT AFFAIRS

Date Jan. 24, 1977 Time 2 P.M. Room 243

Bills or Resolutions to be considered	Subject	Counsel requested*
SB-30	*Revises County Sewage and Waste Water Law	
SB-32	Expanding responsibilities of Legisla- tive Auditor.	Yes
SB-36	Deletes requirement that copy of live- stock sale receipt be sent to State Department of Agriculture.	

\*SB-30 will be heard by both Assembly and Senate Government  
Affairs Committees at 3:00 P.M.

