

MINUTES

WAYS AND MEANS COMMITTEE

NEVADA STATE LEGISLATURE - 60th SESSION

January 31, 1979

Chairman Mello called the meeting to order at 8:00 a.m.

PRESENT: Chairman Mello, Vice-Chairman Bremner, Mr. Barengo, Mrs. Cavnar, Mr. Glover, Mr. Hickey, Mr. Mann, Mr. Rhoads, Mr. Vergiels, Mrs. Wagner, and Mr. Webb.

ALSO PRESENT: Bill Bible, Fiscal Analyst; Judy Matteucci, Deputy Fiscal Analyst; Mike Alastuey, Deputy Budget Director; John Meder, Director of State Parks; John Richardson, Bob Martin, John Munoz, William Ward, State Parks; Roland Westergard, Director Conservation and Natural Resources; Steven Frady, Comstock Historic District Commission. See attached Guest List.

PARK IMPROVEMENT PROGRAM

Mr. Meder and John Richardson presented a slide presentation to the Committee which showed current requests for the park improvement program and detailed the improvements that have been done in the last two years. The presentation consisted of several parts: schematic presentation of proposed development, slides of existing conditions, and slides on improvements that have taken place with the funds appropriated by the last Session of the Legislature. Current requests are for \$1,500,000 of General Funds, \$500,000 of Marine Development Funds (motor fuel tax) and \$1,450,975 of Federal Funds. The proposals include continuing development of existing facilities, new development where the need warrants, funds for maintenance areas, ranger residences, consultants, and master planning.

Chairman Mello asked what the motor boat fuel tax was used for. Mr. Meder answered that it is used for marina development; and Chairman Mello observed that people using the boat ramps have to pay a user fee in addition to boat fuel tax are in effect being taxed twice. Mr. Meder replied that the use fees are for maintenance and operation of the parks.

Mr. Rhoads observed that in the past many of our parks had been ranch purchases and expressed the hope that in the future the Park Division would consider the use of Federal land. Mr. Meder said that at the present time there are no plans to expand the park system or to acquire additional land.

Mr. Bible referred to the request for consultant expenses, \$256,450, and asked if this amount applied only to the projects enumerated on pages 811 or 812. Mr. Meder said that this would apply only to projects approved by this Session and not to any additional projects.

Mr. Glover asked Mr. Meder to explain the seasonal residences. Mr. Meder said that no houses were going to be built for ranger housing and that the request was for mobile home purchases and some refurbishing of existing homes.

Mr. Webb questioned the expenditure for base camp facilities when he felt that the requested trailers would provide them ~~inquire~~ all trailers built now are self-contained. Mr. Meder replied that at the base camp for seasonal use, some of the employees would be using tents and travel trailers that did not have the necessary facilities, such as showers and kitchens.

Mr. Glover asked about the leakage of the dam at Echo Canyon. Mr. Meder replied that as a result of the study authorized by the last Session; it was determined that not much could be done, but that the dam is sound.

Mrs. Cavnar said that the slides of the master plan for Lamb Park showed a second lake and asked if this was part of the current request. Mr. Meder replied that it is not.

In response to a question from Mr. Bremner, Mr. Meder indicated that Beaver Dam is still silting in and nothing economically feasible can be done about it.

#### STATE PARK DIVISION

Chairman Mello asked about the productivity study done by the State Personnel Division and distributed several pages of State Park's critique of the study (Exhibit A) to the Committee. Mr. Meder stated that the study did have some good points but was just not what he was looking for from a management point of view. Mr. Meder said that if the Park Department were in a position to do so, they would like the study redone by different personnel who are more knowledgeable of park operations. He indicated that the approach of the Legislative Auditors, who discuss the reasons for their recommendations with the Agencies, is much more satisfactory from the Agency's standpoint. Chairman Mello observed that the taxpayers had to pay for the study, even though it is of little value.

In response to a question from Mr. Glover on the cost of the study, both Mr. Alastuey and Mr. Meder said that they did not know.

Mr. Mann inquired about law enforcement problems at Red Rock. Mr. Meder replied that full time staff are at the ranch but the area is so large that the State and the BLM cannot cover it all.

Mrs. Wagner asked about the conversion of a Ranger II position at Red Rock to a permanent Park Aid III position. Mr. Woods, Assistant Administrator, said that it would cause some problems in recruitment, frequent turnover and that the Park Division would have preferred to have kept the position at its current classification.

John Meder indicated that the budget dealt with the staffing, operation and maintenance of the State Park System's 19 park and recreation areas. The budget also provided funding for the State administrative office and salary and travel per diem expenses for the Park Advisory Commission. Funds being requested are from two sources: General Fund appropriations and user fees. Mr. Meder explained that new Legislation would be requested to transfer park user fees from the General Fund to direct support of Park's operation and maintenance budget. The Park Division also recommends that day-use fees be doubled, and that the annual permit be increased from \$15 to \$20. No change is being recommended in the current senior citizen policy.

Mr. Mann expressed concern about raising park fees and Mr. Meder said if the fees were not raised the difference in the budget would have to be made up from the General Fund.

Mrs. Wagner asked if raising fees would have much impact on the number of people using the parks. Mr. Meder replied that it would not and the use fees were really a bargain as compared to private facilities and fees in other states.

Mr. Bible asked if a cash-flow problem would arise from collecting cash in June and still operating out of the budget. Mr. Meder thought that the user fees would be collected on a calendar year basis and then applied to the next fiscal year's budget.

Mr. Bremner brought up an item on Page A3, a General Fund income item of \$170,000 for the current fiscal year, and asked if half of this amount would go into next year's budget. Mr. Meder said that the funds collected in this calendar year will be used for fiscal 79-80. Mr. Alastuey said he would check to see if the \$170,000 figure is overstated.

Mr. Meder pointed out that one additional employee is requested, a Park Maintenance Specialist III at the Lahontan area where currently extensive development program is being carried on.

In response to a question from Mr. Glover, Mr. Meder said that part of the Parks Division's responsibility is law enforcement and that this is coordinated with Fish and Game and the Division of Forestry.

Mr. Meder explained that "other contract services" increased because a copy machine is now necessary after the Division moved out of the Nye Building and maintenance agreements on typewriters and calculators.

Mr. Glover asked about rent. Mr. Meder replied that it is budgeted at \$.50 per sq. ft.

Mr. Meder further explained that because of new parks, added improvements, and environmental requirements, there are requested increases in utilities.

Chairman Mello asked if any positions were vacant. He was first told that there were none; but after further questioning, Mr. Wood indicated that a Park Maintenance Supervisor II position had been vacant for some time due to recruiting problems but was now filled.

Chairman Mello asked about the \$12,000 budgeted for holidays each year when actual expenditures were \$8,160 and only one more person was being hired. He further pointed out that there would be four fewer holidays next biennium. Mr. Meder said that the parks are seven day a week operations and on holidays, it is necessary to have full staffing. The request is to pay those people working during the holiday time and a half. Chairman Mello indicated that the explanation had not included the Governor's recommendation for two less holidays each year.

#### STATE PARK PLANNING AND DEVELOPMENT

Mr. Meder said that this budget deals with planning and development of state parks. The staff deals with acquisition, planning, designing, and the construction of facilities within the parks: as well as administration of Federal and State grant programs. Last year \$2,700,000 of Federal funds was received for state and local government projects, and \$3,200,000 is anticipated for this year. Mr. Meder detailed the three sources of revenue for this budget: General Funds, indirect land and water conservation funds for program administration, and local reimbursements for contract review of local government park development projects. No new positions are requested in this budget.

Mrs. Wagner commented on the \$256,450 consultant contractual costs budgeted in the improvement program and asked if, because of the size of this budget, it is necessary to do these projects with outside consultants. Mr. Meder answered there were not enough people to do all the work and Parks did not have all skills that are necessary: archaeologists, biologists, and engineers with certain special skills.

#### YOUTH CONSERVATION CORPS

Mr. Meder said this program gives young men and women of high school age an opportunity to have an eight week training and work experience in conservation related programs. Federal redistribution monies were received for this program in the past but will not be available in the future. However, the basic \$90,000 grant will fund each year. Matching funds are provided by in-kind services. No state funds are being recommended for this budget account.

Mr. Hickey asked about selection of participants for this program. Mr. Meder said that zip-codes from the entire State of Nevada are used for recruiting individuals for the seven camps.

Mr. Glover indicated his strong support for this program and said he would recommend that program funding be increased by another \$60,000 annually with General Fund money.

## VIRGINIA AND TRUCKEE RAILROAD

Mr. Meder explained that this budget provides for maintenance of the V & T warehouse and its grounds, the protection and security of the equipment, and public viewing. One new position is requested to set up programs and make the antique equipment available for display to the public. The other budget items are for operation, maintenance, utilities, and the fire protection. Mr. Meder said that the equipment request for \$5,000 is for a mule tractor to move the trains and cars.

Mr. Bremner commented on the Park improvement item for insulating the building for public access in the winter and asked if there would be a charge for public access. Mr. Meder said that there would be a charge but he did not know how much money it would generate.

## COMSTOCK HISTORIC DISTRICT

Mr. Steven R. Frady, Chairman, told the Committee that there is a special "one-time" request for funds, \$4,500 identified as special projects, for a new roof for their office building in 1979-80, (\$1,000) and for the development of a library (\$3,500) for the use of applicants who are restoring or building within the confines of the historic district.

Chairman Mello asked about the Commission's Membership. Mr. Frady said that members are from the State Museum, Historical Society, Comstock Preservation group, plus an architect, and legal counsel.

Mr. Rhoads asked about the \$2,000 asked for travel as most of these members live in the immediate area. Mr. Frady said that money was for the use of the building inspector covering Dayton, Silver City, and Virginia City Highlands.

## FORESTRY

Mr. Lody Smith, State Forester, stated that Forestry has fire protection responsibility in three areas of the state: the western, northern, and the southern parts. Mr. Smith cited the rapid growth of subdivisions as contributing to the 181% increase in the number of fire calls in the western area and the 76% increase in the southern area. He pointed out that fire incidents are increasing while fire losses are decreasing. The Division is also responsible for erosion control and forestry programs, such as the insect disease problems in Genoa. The Division utilizes inmate crews for many of its programs. His opening remarks are attached as "Exhibit B."

Chairman Mello asked Mr. Smith to explain the \$197,000 "one-shot" recommended by the Governor. Mr. Smith detailed the equipment needed for the Washoe and Elko Shops, and indicated that the low-boy trailer is needed to replace one that is ten foot wide and causes traffic and permit problems. Two water tankers are requested to provide back-up for pumper equipment. Also, funds are recommended for a variety of nursery equipment at both Reno and Las Vegas. A description of the "one-shot" equipment is attached as "Exhibit C."

Speaking to the operating budget, Mr. Smith explained that revenues used for the operation of the Division of Forestry come from Federal funds, taxes collected from fire districts by the counties, services rendered to other agencies and Federal agencies, special projects such as, Christmas tree tags, and General Fund appropriation.

In reply to a question from Chairman Mello, Mr. Smith explained that the reason for the \$300,000 increase in General Fund appropriations is partially due to two transfer positions to this budget, two recommended new forestry position, a new half-time secretary, previous salary adjustments from the last biennium, and additional equipment. Mr. Smith explained that the budget called for the transfer of two Forestry Foreman II positions for the prison honor camp program and the addition of two new Forestry Foreman III positions for an expansion of the honor camp program.

Mr. Smith said that two new inmate trucks were requested to handle the two additional inmate crews and cost approximately \$25,000 each. Other equipment requests are replacements for existing items.

#### YOUNG ADULT CONSERVATION CORPS

Mr. Smith said that the Division of Forestry operates two YCC crews—one in Southern Nevada and one in Northern Nevada. One foreman is paid to supervise the crew in Northern Nevada and the other crew is stationed at the nursery in Southern Nevada. Mr. Hickey asked for a breakdown of the areas that the youths come from.

#### FORESTRY NURSERIES

Mr. Smith explained that income is generated from the sale of stock, and from Forest Service grants. No new positions are being requested in this budget.

In response to a question from Mr. Rhoads, Mr. Smith said that buying stock would not be feasible as this type of material comes from the midwest as bare-root stock and it will not survive in Nevada. The nursery stock is not ornamental but is used for windbreaks and is sold to people who own at least an acre of land.

Mr. Bremner asked if some of these plants were used in reforestation and Mr. Smith said that this is not a major use at this time.

#### FOREST AND WATERSHED REHABILITATION

Mr. Smith stated that this fund allowed Forestry to contract with land owners if there was a fire in the area to work with them on forest and watershed rehabilitation.

#### FOREST FIRE SUPPRESSION ACCOUNT

Mr. Smith said that this budget is the backbone of the Division's fire fighting operations in that it funds fire suppression costs. Chairman Mello asked Mr. Smith about an audit made by the Legislature concerning expenses paid by this account. Mr. Smith said a bill was being presented to the Legislature concerning the problem of meal reimbursement to crews fighting fires outside a city where they were stationed.

#### DIVISION OF MINERAL RESOURCES

Mr. Westergard explained that this division was formerly the Oil and Gas Conservation Commission and that no funds were provided by the last Session for positions. Funding was provided by Interim Finance for a Hydraulic Engineer IV position. The budget requests that the administrative position authorized by the last Session be filled and in the second year of the biennium, a new Engineering Geologist III is recommended in the event Federal mining legislation is changed. Mr. Westergard also said that travel was not budgeted for the Mineral Resources Advisory Board and requested travel expenses of \$2,000 each year.

Mrs. Wagner questioned adding a new position on the supposition of Federal legislation. Mr. Westergard said that if the legislation did not develop, the position would not be filled.

Mr. Rhoads said that he had not seen the State participate or show any interest in mining and expressed the hope that it would.

The meeting was adjourned at 10:45.

DATE: January 9, 1974

WAYS AND MEANS COMMITTEE

GUEST LIST

NAME (PLEASE PRINT)

REPRESENTING:

Bob MARTIN

STATE PARKS

Edy Martin

State Parks

Peter MORRIS

Conservation

Tom Moran

W.P.A.

Roland D. Møstergaard

Conservation & Natural Resources

John Møstergaard

Conservation & Natural Resources

William Ullard

State Parks

JENN MEYER

STATE PARKS

John Richardson

State Parks

Ray Trenoweth

D.V. of Forestry

PRODUCTIVITY STUDY REPORT

CRITIQUE

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## Introduction

The operations analysis of the Nevada Division of State Parks, Operations and Maintenance, dated December, 1977, contains several useful findings and recommendations which State Parks can live with and which we have already installed as an example:

1. Divided District I into two separate districts.
2. Developed interpretive programs at District level in cooperation with each park.
3. Concentrated on training in interpretation so park personnel can make interpretive presentations.
4. We have involved District Interpreter positions in program development in a greater degree than formerly, to better utilize their expertise.
5. We have continued our law enforcement training at its usual high level, including internal law enforcement training based on practical applications of park policy.
6. Parks has continued to review forms for usefulness. We have removed the forms which are recommended in the report.
7. Parks has continued to strive for standardized record keeping in the parks and district.
8. Recommendations to improve hiring and training and evaluation procedures to improve seasonal utilization have been incorporated in the districts.



9. Eliminated the Quarterly Report, and made the Monthly Report and the Annual Report simpler, thus saving time.
10. Deleted the PS-11, formerly used in our purchasing procedure.
11. Discontinued the practice of xeroxing personnel announcements.
12. Eliminated the position of Assistant District Ranger - Operations.
13. Created a new position of District Ranger II for the new district.
14. Relocated a maintenance position to Lahontan.

The Division of State Parks requested the original Productivity Study. The division personnel cooperated fully with the study team. The first report was extremely disappointing due to its inaccuracies and erroneous conclusions. We commented on the report in a sixty (60) page analysis. It was our desire and our expressed intention to maintain the spirit of cooperation and keep a dialogue between the two organizations. The second report has some cosmetic changes, but the body of the report contains basically the same erroneous conclusions and recommendations which are based on insufficient evidence, incomplete analysis and faulty data.

We still feel an operations analysis is needed, however, in view of the poor quality of the report, the lack of supportable facts, the obvious inexperience and inability of the analysis, we feel that the report is untruthful. It is extremely detrimental to the Division of State Parks and can be damaging for years to come. We recommend that all reports be removed from circulation and destroyed and that a new study be started using professional and competent management analysts or industrial engineers.

A. SUMMARY OF FINDINGS AND OPINIONS

1. The analysis and the Resource and Development and Training Unit did not live up to their original objectives or agreements, or follow the method of operating we understood would be used in the conduct of the Productivity Study.
2. The methods used in the conduct of the Productivity Study did not follow the principles and the methods generally employed in management and industrial engineering studies. The analysts failed to discuss their findings with the parks. The analysts did not spend enough time in the field. The analysts used unsubstantial data to arrive at conclusions and recommendations. The analysts failed to follow up on data challenged by the parks and revise the report accordingly. The analysts calculated data incorrectly using the wrong formula. The analysts did not take into account major factors which would affect the workload, and they made recommendations using faulty logic.
3. The final report is loaded with inaccuracies. It contains erroneous data, incorrect calculations and conclusions and recommendations that are based upon incomplete investigation and analysis. The body of the report still has many of the findings, conclusions and recommendations which were challenged in our first rebuttal.
4. The analysts, in our opinion, were inexperienced. They did not receive proper guidance. They were incapable of conducting a management study of this complexity.

5. It appears to us that the primary objective of the analysts was not to increase productivity and improve the operation, but rather their concern was meeting a commitment on saving or making money for the state.
6. The Division of State Parks requested the original study. We still feel that an operations analysis is needed. We recommend that the present study be redone by competent, experienced management analysts

B. CONCLUSION AND RECOMMENDATIONS

The Division of State Parks requested the operations analysis. We cooperated fully with the analysts. We still feel that an operations analysis is needed, however, in view of the poor quality of the report; the way the study was conducted; the lack of supportable facts; the inability of the parks to question and discuss the study with the analysts who made it; the obvious inexperience and inability of the analysts to conduct a study of this magnitude--we recommend that the study be re-done by competent management analysts. We recommend that those statements and findings which cannot be defended or justified be stricken from the body of the report. We request that the recommendations in the forward part of the report be based upon factual data contained in the body of the report. Failing this, we recommend that all copies of the report be returned and the reports be destroyed, particularly the reports in the hands of the Legislative Committee and the Budget Office.



ONE SHOT REQUESTS

<u>RENO SHOP</u> .....	\$47,800.00
Air compressor; present model is excess 1945 (\$1,800)	
Overhead traveling crain in new shop (\$28,000)	
Floor mounted hoist, capable of lifting 6x6 (\$10,000)	
Air operated overhead service station, oil, grease, etc. (\$8,000)	
<u>ELKO SHOP</u> .....	\$ 5,000.00
Air compressor, lub equipment, jacks, etc. (\$5,000)	
<u>LOW BOY</u> .....	\$15,000.00
This unit to replace military unit 10' wide (\$15,000)	
<u>TANKERS - 2</u> .....	\$100,000.00
4,000 gallon modern unit to back-up pumper. Western area. (\$50,000 ea)	
<u>RENO NURSERY</u> .....	\$12,000.00
Poison sprayer (\$1,000) for pesticide application	
Two refrigerators (\$600)	
Seed handling freezer (\$400)	
Greenhouse/lath house completion (\$4,000)	
Cooling fan system, auto watering system, complete electrical system in office (\$3,500)	
Driveway/parking lot/sidewalks (\$2,500)	
<u>LAS VEGAS NURSERY</u> .....	\$17,600.00
Refrigerator (\$300)	
Air compressor (\$300)	
Electrical service parts (\$2,500)	
Auto watering system (\$2,500)	
Pallet truck and pallet lift (\$1,500)	
Driveway/parking lot/sidewalks (\$3,000)	
Metal storage building completion (\$7,500)	
TOTAL .....	<u>\$197,400.00</u>