

MEMBERS PRESENT: Chairman Jeffrey
Assemblyman Dini
Assemblyman Kovacs
Assemblyman Mello
Assemblyman Schofield

MEMBERS ABSENT: Vice Chairman Redelsperger
Assemblyman DuBois
Assemblyman Polish
Assemblyman Rhoads

OTHERS PRESENT: Steven Roberta
Harold Brewer
Leo K. Johnson
Bob Sullivan
Al Edmundson

Chairman Jeffrey called the meeting to order at 8:05 a.m. and noted that the first item on the agenda was AB 424.

AB 424: Requires state to pay for reduction in value of property due to limitations on wells and septic tanks.

Mr. Steven Roberta, Scalise Realty in Virginia City, said that his company has a problem in Virginia City Highlands in West Storey County. He said that this subdivision was subdivided and filed in 1972 prior to the State of Nevada's regulations on individual septic systems which requires that lots with more than a 5 percent slope have 1.25 acres; 10 percent slope, 1½ acres; over 20 percent, two acres in order to have a septic tank installed on a particular lot. He said that these new regulations were made retroactive even to the original owners of the property. He indicated that there are approximately 85 existing homes in the highlands all of which have their own individual wells and septic tanks; that there has never been a failure of a septic tank and all of the wells in West Storey County average between 150 and 320 feet in depth and produce from 12 to 118 gallons per minute of water.

According to Mr. Roberta the state is trying to limit development of this property by these requirements on slope and septic with no substantiating facts of their necessity. He said that there are over 1100 lots in this subdivision for which people have paid good money that the state will now not allow them to build on. He felt that these people should be compensated for their loss by the state which is what AB 424 would require.

He added that if AB 424 did not pass, there should be some law that states that if a lot does not meet these area requirements an owner should be able to hire a civil engineer at their own

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expense to design a professional system specifically for that lot and obtain a variance so that he may subsequently build on that lot.

In response to several questions, Mr. Roberta indicated that in 1972 the court ruled in favor of the developer saying that there was sufficient water to develop this subdivision with lots varying from one acre to three to five acres.

When Mr. Dini asked if it was feasible to develop a water company there, Mr. Roberta said no because of the expansive nature of the subdivision and because there is no provision for obtaining water from one source that would be sufficient for the whole property.

In response to Mr. Dini's question, Mr. Roberta said that all 1169 original lots were sold by 1973 and 116 have been ruled unbuildable by the Health Department.

Mr. Jeffrey asked if AB 283 as passed by the Government Affairs Committee would help this situation, and Mr. Roberta said that the only portion of that bill that might help would be the section dealing with road easements. He added that he felt that AB 283 only strengthened the state's opposition to this subdivision.

Mr. Harold Brewer said that his knowledge is limited primarily to the lot that he owns on which he had planned to build a house. He indicated that his plans had now changed and he cannot build but he cannot sell the lot because of these stringent septic requirements.

Mr. Leo K. Johnson, real estate broker from Virginia City, said that this is condemnation without just compensation to these people who have invested their money.

In response to a question of the fiscal impact of this legislation, Mr. Jeffrey explained that it was impossible to figure a fiscal note without a statewide survey of how many lots were plotted before the effective date of lot size regulations. He added that it is believed that this could be a very expensive measure.

Mr. Bob Sullivan said that the county was lax in terms of following the timetable set out in the statutes for subdivision review.

Mr. Al Edmundson, Bureau Chief of the Consumer Health Protection Services, said that there are many lots statewide that would be affected by this bill and the fiscal note could be in the millions. He indicated that it would cost approximately fifty to sixty thousand dollars just to complete the survey of the number of lots involved, and then each lot would have to be appraised. He noted that some of the lots in the Virginia City Highlands subdivision are mostly rock and even an engineered septic system will not be sufficient. He added that many of these lots are steeper than 20 percent and for these reasons must be considered on an individual basis.

When Mr. Jeffrey asked if they would accept a system certified by a civil engineer, Mr. Edmundson said they would if he was a qualified engineer, but they would check to make sure that what the engineer said was true. He noted that they have had instances where they have disagreed with the engineer.

Mr. Mello pointed out that if the department felt that an engineer's work was wrong without question, they would file charges. Mr. Edmundson indicated that they did not have the time to file charges and that all they can do is make their recommendations in opposition to the other engineer.

Mr. Mello then pointed out that the term questionable was a broad term, and if there is something wrong with what an engineer recommends, they should file charges; if they are not wrong, they should not use the term questionable.

Mr. Dini commented that since this was a court forced subdivision in 1972, the law of reasonableness should take place, and with the cooperation of the division and others concerned, most of the lots ought to be able to be accomodated. He noted that there is no way that this law can pass because of the enormous fiscal impact, but there should be some reasonable interpretations of the slope law to avoid condemnation without compensation.

Mr. Edmundson explained that these landowners have the right to appear before the Board of Health to prove that their engineer is correct.

Mr. Dini further commented that if a sewer or water district were formed, the problem could be solved.

Mr. Jeffrey said that the committee would try and meet to discuss this problem further to hopefully find some solution for helping these landowners and then adjourned the meeting at 8:35 a.m.

Respectfully submitted,

Judy E. Sappenfield
Committee Secretary

ASSEMBLY
ECONOMIC DEVELOPMENT
AND NATURAL RESOURCES
AGENDA FOR COMMITTEE ON.....

FRIDAY

Date May 29, 1981..... Time 8:00 A.M. Room 222.....

Bills or Resolutions
to be considered

Subject

Counsel
requested*

AB 424

Requires state to pay for reduction in value
of property due to limitations on wells and
septic tanks.

*Please do not ask for counsel unless necessary.

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