

MEMBERS PRESENT: Chairman Dini  
Vice Chairman Schofield  
Mr. Craddock  
Mr. DuBois  
Mr. Jeffrey  
Mr. May  
Mr. Mello  
Mr. Nicholas  
Mr. Polish  
Mr. Prengaman  
Mr. Redelsperger

MEMBERS ABSENT: None

GUESTS: See Guest List attached

Chairman Dini called the meeting to order at 7:08 A.M.  
The first bill to be heard is AB-392.

Mayor Ron Player, Sparks: I am also here representing the Washoe County Health Board. We presented testimony on AB-392; it was passed out of here to the floor and was pulled to the desk. Assemblyman Schofield was kind enough to pull it back to the committee for a rehearing. We would suggest, if at all possible, to go back to the original bill and add on Page 1, Line 19, after the word 'his' the word 'graduate public health education'. On Page 2, which is where the difficulty is, starting on Line 3, we would like to add a new paragraph: 'No. 4 All clinical programs of the district health department requiring medical assessment must be under the direction of a physician licensed to practice medicine in the state', and change No. 4 to No. 5, to read the same.

Mr. Dini: How do you feel about the way it was amended. Do you feel it won't work?

Mayor Player: We don't feel that it helped. We are going back to the same situation we had where the health officer would be an M.D. It poses the problem of finding an M.D. with both administrative and physician abilities to take the position at a reasonable price. As you know, we have been in a dilemma for over a period of two years and we don't feel that the amendments do what we have asked to be done. We recognize that all medical portions of the health department should be headed by an M.D., and we don't dispute that. We do feel that the other twenty-one agencies that are involved with the health department do not need a head that is an M.D. By taking the original bill, making the changes that we have suggested and outlined, it would, in fact, accomplish exactly what we tried to do and we have cleared

up Mr. Beyer's problem with the adding of the paragraph I have presented here.

This concluded testimony on AB-392.

The next bill to be heard is SB-526.

Senator Lawrence Jacobsen: The Fire Marshall in the majority of cases caters to the fourteen small counties and Carson City and in the cases of fire arson, the Fire Marshal is usually not present when the fire is in progress. He is called at a later date and it is felt that in order to get the information that is required, in many cases, it is necessary to issue a subpoena for someone to appear. People are generally reluctant today to come and testify because they realize they may be spending some time in court. I think it is a justified request. On the Senate side, Senator Raggio was the only one who questioned it. He felt that one individual should not have that kind of power. I went through the statutes and I have about seventy people in my list that already have that right. Just to name a few, the county elected officials have that authority today, as have the county commissioners, the Governor, the Commissioner of Insurance, the State Engineer, the Labor Commissioner, the president, or even the secretary, of the Board of Dispensing Opticians, Secretary of the Board of Pharmacy, the Real Estate Administrator, Superintendent of Bank, etc. So, I really think it is justified. We did amend it to the point where, when he comes in to any county if he is going to issue a subpoena, he has to notify the district attorney of that county. In most cases, in rural areas, the district attorney or the people in his office are not competent or familiar with fire rules and regulations, unless there is a death in a fire, we don't even notify our district attorney. The firemen themselves, in many cases, are placed on the coroner's jury. One of our chiefs is a coroner and so we kind of do in-house, you might say. In most cases, the fire department visually sees who is there and tries to make some determination on their own. But they have no force and effect. They are volunteers, so they need the Fire Marshal's office in order to conduct an investigation. He needs the authority to subpoena people to ask them to testify and bring whatever books or records they have to determine the source of the fire.

This concluded the testimony on SB-526.

The next bill to be heard is SB-421.

Mr. Steve Robinson and Larry Foltz, Department of Prisons testified next.

Mr. Robinson: The purpose of this bill is to allow the Director

of the Department of Prisons to deposit with the State Treasurer for investment the inmate funds under the control of the Department that are in excess of the current operating needs. The earnings from such investments would be deposited in the prisoners' store fund and used to purchase recreational equipment and other items for the benefit of the inmates. What essentially now is that the funds in excess of the operating needs, which are currently about \$40,000, are in the personal property fund. They are held in an interest bearing account with the State Treasurer. What we would like to do, through the State Treasurer managing those funds, continuing to manage those funds, is transfer the earnings to the offenders' store fund where they can be used for the benefit of all the inmates.

This concluded the testimony on SB-421.

The next bill to be heard is AB-230.

Mr. Chuck King, Central Telephone Company: This was originally drafted to provide for the State Treasurer to be able to oversee the investing of the State Industrial Insurance Fund. We concur with the amendments. The amendments call for an advisory board which consists of a chairman, which would be the State Treasurer, two members from the Advisory Board that oversees the Industrial Commission, one from labor and one from management, a person with expertise in the investment field and the Director or Manager of the Industrial Commission. We believe there is need to have someone with this type of expertise to be able to assist the Industrial Commission in encouraging them to get a higher rate of interest for this fund. The most current figures I have seen for the total \$300 million fund that they receive somewhere between 7% and 8% on their money and we think there is a lot of money in there that can be invested in short term markets and can receive more money.

Mr. DuBois: How does the 7% to 8% compare with the Retirement Fund?

Mr. King: I did not follow their earnings, but the State Treasurer got around 12% for that same period of time.

Mr. DuBois: Do the investments in short term versus long term have different requirements, for NIC? Do they require that NIC be more conservative?

Mr. King: You mean the requirements that the NIC has for investing their money? There is quite a bit of criteria on how much money they can put into one particular portion, but there is enough language within that section to allow them to go for almost any invest they want to go to. They are limited to so many dollars to

various types of investments.

Mr. Jim Lorigan, Nevada Industrial Commissioner, and Mr. J. R. Clark, fiscal officer of the Nevada Industrial Commission testified next.

Mr. Lorigan: We have had the privilege of appearing before you before in resistance to this bill and with the amendments, it is no more palatable than it was then.

A copy of his written testimony is attached hereto as EXHIBIT A, and made a part of these minutes.

Mr. Mello: First of all, the person serving on the Advisory Board review, there is a logical reason for that, and that is, by serving on this, they will be able to advise the Advisory Board of what is going on. That sound logical to me. As far as investment counsel, he is to look at your investment practices. That is what this committee is set up for. Let's go back to three years ago. The yield was less than 5%. Is that correct?

Mr. Clark: In 1978, it was 3.28% on market value for the total fund. That is the point that you have to keep in mind. In 1979, it was 5.90% for the calendar year.

Mr. Mello: It seems that after the raking over we gave NIC last session in Ways and Means, you people started to do something about your investment. First of all, you should have done something about the firm you hired and held the investments. PERS did something about it and they have increased their yield considerably.

Mr. Clark: I think you will find that PERS, for the most part, monitors their investment performance on market value. At least for the period of time we are talking about, they did. If we were to monitor our investment performance on cost, rather than market value, I think you would find that they are fairly comparable. When you are monitoring a market value tends to fluctuate widely, depending on the market value. If you have a bond that is yielding 12% per year, but the short term interest rates are higher, you may, because of the drop in the market value of the bond, show a zero market price or market value, or total return on assets for that bond, monitoring on a market to market - when in reality, if you look at the money that the bond actually brought in, it was 12%, so you really have to grasp that. I am sure you understand that market value is much different than cost.

Mr. Mello: How many firms do you have investing NIC money?

Mr. Lorigan: Three investment managers, Mr. Mello.

Mr. Mello: What is the total fee, \$300,000 that you pay these firms?

Mr. Clark: Approximately. I am sure it is, or will be soon.

Mr. Mello: I don't know exactly what the figure is for PERS, but how much money are you having invested?

Mr. Clark: We have approximately \$300 million. PERS is about 2½ times our size.

Mr. Mello: Yes, and they pay less than you do for their investment counsel. That tells you something's wrong right there, I would say.

Mr. Lorigan: Again, I would refer you to the comparison of the operations of your retirement system and the operations of an insurance company.

Mr. Mello: That is one reason why we are looking at this committee - to find out more about your investments. And, I don't know why you should be so concerned about having the committee come in and look at your investment practices; look at the firms you are hiring to see how successful they are. As far as reporting, to report to the Interim Finance and Legislative Commission, because I believe that the more people in the Legislature that are watching NIC, the better job you will do.

Mr. Clark: I certainly can't speak for the Commission, but I don't think the Commission would have any objection to reporting to any and every committee of the Legislature

Mr. Mello: Well, there seemed to be some question why you should be reporting to those two committees.

Mr. Lorigan: There was no objection, Mr. Mello. It just seemed repetitious, but, as I also stated, we would report to anyone and everyone that you pointed out. But, would you allow me to finish on the comparison aspect, Mr. Mello. You might compare the retirement system and the Nevada Industrial Commission to two insurance companies. The retirement system is a life insurance company and the Nevada Industrial Commission is a casualty insurance company. In life companies, actuarial tables are simple, because you use the lifetime of an individual as a gauge. It is set and established and it varies very little. In a

casualty company, the catastrophies are forever occurring and one must take measures to protect against them. So, to compare the operations of a retirement system with the operation of an insurance company, I believe, is unfair and misleading.

Mr. Dini: In regard to the three investment counsellors, would you break that down again?

Mr. Clark: Currently, we have Trust Company of the West, which manages approximately 20% of the investment portfolio. They are into stocks and options, short term cash equivalents. BAMCO represents about 10% of the investment portfolio and are restricted to a balanced portfolio approach, which means they can go into fixed, stocks or short term. Scutter is about 75% of the portfolio and they are handling about 70% of the portfolio on fixed and cash equivalents.

Mr. Dini: Information we have received tells us that Scutter was one of the lowest in the ranking when they were selected to be their counsel. Do you want to explain the procedures for picking them?

Mr. Lorigan: I was not involved and I have been on the job for eight years.

Mr. Clark: I continually hear a reference that Scutter is, perhaps, not the best because Retirement chose not to use them. I'm not sure why Retirement chose not to use them. We are monitoring the performance of Scutter through Peat, Marwick & Mitchell against approximately 113 other investment funds. They are not at the bottom of the fund or at the top. The Peat, Marwick & Mitchell report puts them almost at dead center. This is the first year in quite a number of years that they have been quite that low. Normally, they are in the upper third of the field that we are monitoring.

Mr. Mello: You are paying \$373,000 in investment counsel fees. PERS seems to be doing a fantastic job with their money. The yield is extremely high. And that's one reason they left the firm that we are talking about. They have done better since they left them. There is a committee that reviews PERS. They are legislators and they have absolutely no objection. As a matter of fact, they welcome it.

Mr. Clark: Mr. Mello, I think the composition of the fund is a valid question. There are many approaches to it and, again, you have to keep in mind that because we are an insurance company, we are on the conservative approach to it. For example, last year, if we had chosen to put 100% of our fund into stock, we would have been showing a 38% return on investment. Rather than do that, we are diversified. We are protected so that if one

segment of the market doesn't do well and it's not guaranteed that cash equivalent and short term money will always do well, they have done extremely well in the past. There is no guarantee, also, that stocks will continue to do well. That's why we have the various money managers assigned to specialized fields. They don't have control over the whole fund and we also have in the NRS restrictions on the amount of the common stock that we can invest in.

Mr. Mello: Are you saying that you do not believe that PERS is investing their money wisely. Do you think it is too loose?

Mr. Clark: No, sir, I am not. In fact, Mr. Lorigan's statement, I think, summarizes that quite well. For a retirement firm, the prudent man philosophy is very appropriate. Their liabilities are predictable. For an insurance company, the liabilities are, for the most part, unpredictable and it would be wise to have some legislatively authorized restrictions on the investment of those funds. The Legislature, obviously, will be the one to tell us what those restrictions are. The Commission, I think, would suggest that those restrictions should be somewhat conservative in nature.

Mr. Dini: In other words, the laundry list in NRS-355.140 and from there on, specifies the investment that can be made. Also, the ones the State Treasurer and PERS can make.

Mr. Mello: There is no way that this committee is trying to do anything to harm the investment practices of NIC. All we are trying to do is look at your investment practices and, perhaps, you can make better money somewhere else. Perhaps, the firms that are handling your investments now could change, and they do, you know, particularly if you put pressure on them, they do.

Mr. Clark: Yes, we have seen that. Our contracts can be terminated at a moment's notice. Currently, the Commission has the authority to terminate those contracts. We do have an independent actuary and they are monitoring the performance of these firms frequently. If they see that the firms are in any way getting out of line on the return or if they are making highly speculative investments, Peat, Marwick & Mitchell advises us of that. The Commission reviews every purchase on a daily basis and monitors the composition of the portfolio.

Mr. Lorigan: Coincidentally, Mr. Mello, if your busy schedule would permit, a quarterly meeting is coming up on May 26, at 8:30 A.M., and you and all the members of this committee are invited and come see what they have to tell us and what Peat, Marwick & Mitchell have to tell us of the performance of the investment managers.

Each investment manager appears separately and then, jointly, with the monitor, and then we meet with the monitor at the tail end. The meetings last all day. So any portion thereof I think you would help us if you could see what we are doing.

Mr. Mello: That is all we are really trying to do is to help you people in your investment practices.

Mr. Clark: I really don't feel and I have never felt that the Commission has any reservations on that. And I think you are correct. If the investment managers are aware that you are watching very closely, they tend to perform better.

Mr. DuBois: Would you identify the investment firms again?

Mr. Lorigan: Scutter, Stevens, Trust Company of the West, a Los Angeles firm, and Bank of America Investment Management Company - BAIMCO, in San Francisco. The two latter companies since March, 1980. Scutter goes back before my tenure, which is eight years. The two latter companies are very conservative in their selection and are turning in a 38% on a market to market on the portfolio for the year. That is rather aggressive but they are buying well established, non-speculative stocks. Our total yield for calendar year 1980 was 8.79% on market.

Mr. DuBois: Are you required to put certain percentages into long term or short term?

Mr. Clark: No. You are talking there about the risk aspect of the fund. Our actuary has advised us that it would be not acceptable to put, and I am sure no one is recommending this, all of our money into short term. The short term market right now is yielding quite a bit of money. Right now, I can buy a six month TCD for in excess of 15%, but because of the risk factor, the short term market is very volatile. We want a diversification in the portfolio. We are looking at a horizon much longer than the short term market will allow us, so we are into stocks and long term bonds for that very reason. We are taking a longer risk than the State Treasurer. We have an average maturity of in the area of eighteen years, and about 60% of our portfolio is in long term. We have seen short term in the last year go down as low as 12% and as high as 20%. If we were to sell and realize the loss on our long term portfolio and buy short term monies when it was at 20%, and as that short term money cycled over, it would have to be reinvested again, and at the time it has to be reinvested, remember, our time horizons are for infinity, not for a month or a year. When the short term rates are low and if we were to want to go back to our long term stance, the long term market value would be much higher. You would see a reverse action. As the short term rates go up, the market value, not the yield, of the long term investments tends to go down. As the short term goes down, the



market value on the long term investments tends to go up. Because we are in it for a very long time, we are not looking over a time horizon of a year. We are looking, really, over infinity. We feel that the long term investments are superior in the long run. On our total portfolio, if we were to compare the performance to the short term market, it would not be as high, but that would be an acceptable risk. If we were to compare our total portfolio - our stock section - to the short term, you would find that our equity section is outperforming the State Treasurer's office on the short term market. If you compare our long term to the short term, you will find that the short term is outperforming the long term. We feel we have a fairly good diversification of the portfolio in the maturity. We feel that it would be an unacceptable risk to be either all in short term, all in stock or all in long term. This is the advise of Peat, Marwick & Mitchell. The performance for calendar year 1980 will show that our equity portfolio had a return of 31.08%. That's a good return. But, again, the stocks have been doing really well.

Mr. Mello: Did you say that your yield on bonds is not too good at this time?

Mr. Clark: Our market value yield on bonds is 1.43%.

Mr. Mello: You have 56% of your portfolio invested in bonds?

Mr. Clark: Yes, we do, but the cost return on those will probably be in the area of 12% and if we look at our bond portfolio today to see the composition of the bonds and what is was actually earning for NIC, it would be somewhere between 12% and 15%. That is what those bonds are actually earning for NIC, but the market value is low.

Mr. Mello: You have 25% in stock, 19% in short term. Can you invest more than 19%? How much? How far can you go?

Mr. Clark. Yes, under our current guidelines, we could go to 100% short term, but, again, that would be an acceptable risk.

Mr. Redelsperger: I didn't hear any reference to investments in real estate, and I know that PERS has done quite well along those lines.

Mr. Clark: Yes, sir, they have. The Commission has a bill into the Legislature to go into real estate. To allow them to invest in comingled real estate funds. The restrictions currently in NRS are so restrictive that direct participation is almost eliminated. We are taking steps now to update that restriction in NRS. For example, we can loan \$25,000 on a mortgage, but that can only represent 50% of the mortgage. We are pursuing

investments in GMAE's, FHA's, etc. It is a participation in the market, but not direct mortgage participation.

Mr. Stan Colton, State Treasurer, and Mr. Robert Cameron, Chief Deputy Treasurer and Secretary to the State Board of Finance for the last 12-13 years, testified next.

Mr. Colton: Mr. Cameron might answer some questions about the history of the NIC investment fund, since it was his responsibility during that 13-years as the secretary of the Board of Finance to review those prior to any meetings of the Board of Finance to make any recommendations.

Mr. Mello: Bob, you have read AB-230 and do you think it is a good bill?

Mr. Cameron: I have my reservations. To be quite honest, I am wondering if it is really effective, that is, the setup of the committee. The State Board of Finance has been ineffective in monitoring the investments of the NIC, and so I wonder if this one will be any more effective. If the people would really do what I think the Legislature wants, but I don't think they have really done it. I don't think this would be any different. If the bill said that they must make these decision, then, perhaps, it would work.

Mr. Mello: If this committee does its job and reports back their findings to the Interm Committee, the Legislative Commission; it eventually gets back to everyone of us and then by next session, there could be some drastic changes made because of the recommendations of this committee.

Mr. Cameron: I just personally have my reservations.

Mr. Colton: Mr. Cameron can tell you about the Scutter agreement.

Mr. Cameron: In 1973, the NIC, itself, set goals for their investment counsel that the investment counsel agreed were attainable, and told NIC that it would probably take five years to reach these goals. Those goals were never reached and they still haven't been reached.

Mr. Colton: What Mr. Clark spoke about on short term investments in the State Treasurer's office is correct. We are forced to be in short term because of the state's obligations' nature of being of immediate nature, whereas an insurance fund is for an extended period of time. But, I don't think that it curtails the Treasurer's office from having a certain expertise in the long term market. We certainly don't profess to have the staff that Scutter, Stevens does, but I guess I would ask the question of how many of the people on their staff are actually actively involved in investing

the money of the state's NIC fund? They talk about a whole staff of people. State Treasurers throughout the United States have done a lot of investigating into whether or not house counsel - in-house investments, as opposed to paid outside investment counsellors are better. There seems to be split on it. But, most of the state treasurers believe that they have been able to do as well or better than any counsel they have ever had hired to supply the kinds of service. There has been a statement made by Mr. Lorigan that some of the brokers that we talk to might be biased in trying to tell us something. Certainly, they are biased; certainly, they are trying to tell us something. All they have to do is sell us one bad thing, and they have lost a lot of business. So, they are going to make sure that any advice that they give us is based upon the most valuable information available to them so that we look good, so they look good, so that we will continue to do business with them. Not because they are on a guaranteed rate of income, as an investment counsel, but just because they are on a commission and if they screw me up once, I'm not going to go back to them a second time. So, I am going to get good advice and we get good advice from the largest investment counsel people in the United States. When talking to them about the possibility of our office of having some portion of the management of the NIC funds, I think that at least five different investment houses that we deal with said: we will send expertise people over there to help you in establishing this thing and get the transfer changed over so it is smooth and the transition works properly to everybody's advantage, should this come to be. There was never any mention of a fee because we wouldn't be paying them a fee. This is something that they provide as a service to us because they want our continued business.

I think that that doesn't speak well of Scutter-Stevens group who has yet to make the indices that they promised some five, six, seven years ago. One of the questions that Mr. Lorigan asked was that there didn't seem to be any advantage in putting the NIC portfolio under the control of the State Treasurer. The logical question that must be asked is: Why, what is the advantage of doing this? Well, the advantage, of course, is to save \$378,000 which we have computed to be the cost, or at least a good portion of that, and at the same time, provide the same kind of service they are now getting, or, I would hope, better.

Mr. DuBois: You do not operate under the prudent man concept?

Mr. Colton: No, our investment portfolio is probably the most secure thing in the world because of all the restrictions against us in allowing us to go out into the same kinds of investments that the NIC and the PERS is allowed to invest in. Yet, at the

time, with those restrictions, we are yielding a much higher rate of interest. Not simply because it's long term or short term, but because we've invested that money, we think, prudently but not under a prudent man theory, based upon what we believe to be good and sound advice and profitable advice to the state of Nevada from the people that we do business with.

Mr. Norman Antonis, Personnel Services Manager for the Summa Corporation: The major reason that this bill was introduced was that the employer believes that there was a better rate of return available to the funds that were held in trust by the NIC and we wanted to see if there wasn't some possible way of the NIC fund earning more money. The gentleman from NIC who just testified, more or less hit the nail on the head when he said that if you watch the investment firms, then all of a sudden, the investment firms start doing a better job. For years and years, the NIC went along without anybody looking at them; paying attention to what was going on with that fund. About a year and a half ago, with the Advisory Board on the NIC starting checking into why the NIC was earning such a low rate of interest on the money that they invested, all of a sudden the NIC found that they should hire two other investment counsellors and start diversifying the monies that they had invested. I think this particular bill, in effect, sets up a watchdog committee that makes everybody cognizant and keenly aware of the fact that they are being watched, that people are interested in the amount of interest that is returned on the money. I think it will go a long way toward improving the status of that fund.

Mr. Dini: Do you think that the management person that is on the NIC board is not doing his job, in relation to management and watching the money?

Mr. Antonis: Well, I think there was just a general state of apathy that went on there for years where Scutter-Clark had the 100% of the fund and the return was very, very low. When the advisory board starting pressing them, trying to find out why they weren't making more money, all of a sudden they did go into the stock market and into short term investments. Just like anything else, as long as someone is watching them, then they are out there trying to do a much better job. If nobody is watching them, then other things become more important. Maybe, that's a better way of saying it.

Mr. Dini; Wasn't it the function of that advisory board we created .

Mr. Antonis: They did that, sir. The advisory board, however, does sunset as of June 30.

Mr. Mello: Then you do believe that this investment committee could be of some asset as far as watching their investment counsel in giving them advice and, perhaps, getting a better rate of return on their money?

Mr. Antonis: Yes, sir. I definitely do. Just the very fact that they are responsible to somebody.

Mr. Schofield: Do you feel they have progressed since 1975 in their investments?

Mr. Antonis: To my knowledge, when they first starting doing that was in March of last year. Prior to that time, they seemed to just more or less drift along in the same pattern that they were before.

Mr. Schofield: Do you think some progress has been made from that time to today?

Mr. Antonis: Yes, sir. I feel that some progress has been made. My area of concern would be that after the advisory board sunsets, we don't have this constant prod to assure that the fund is returning as much money as possible. I think that the fund today is probably around \$350 million.

Mr. Dini: In the reorganization bill that is in the Senate, does that provide for that advisory committee to be recreated?

Mr. Antonis: That would be a board of directors established that would be over the resulting state insurance fund.

Mr. Craddock: How does the \$378,000 in investment fees break down among the three investment firms?

Mr. Antonis: I don't really know. However, next year's budget for the fees will be \$550,000.

Mr. Clark: We negotiate the best contract we can with the individual investment managers. Unfortunately, we can't dictate to them what their charges to us will be. I do have copies of those contracts if you would like copies. The contract states what they are going to do and what we are going to pay them. It is a rather complicated formula.

Mr. DuBois: As I understand it, you are saying, Mr. Antonis, that the advisory counsel was effective in getting a better yield from investments but it will sunset. The advisory counsel has handled all affairs, not just investments. So, therefore, by your logic, if you had a committee or counsel or board that

would oversee just investments would be even more effective?

Mr. Antonis: Yes, sir. That's my belief.

Mr. Tom Stewart, Gibbons Company, Reno: We represent over 180 Nevada employers that are insured through the Nevada Industrial Commission and they range from political subdivisions through major employers. As we understand this bill, it establishes a committee to review and establish objectives, policies and procedures for investing the assets of the fund. The State Treasurer has earned 6% more on the average than what the NIC has earned. We have heard the various reasons for it, which is fine. We would like to see this bill into effect because it doesn't hurt anyone to have someone looking over their shoulder. It would benefit the employers and the employees that are injured. There is nothing wrong with it. The cost of it, as I read through it, is less than \$3,000 a year to establish this board to review and look at what's going on. I urge you to pass it.

Mr. Mello: Will the committee will look at the language on Page 6, Lines 45 through 48, on the sunset of the advisory board.

Mr. Colton: I feel compelled to make one last statement on this thing. Nearly a year ago, the Governor solicited by mail the Treasurers of all of the counties and cities of this state to make deposits of funds in local institutions, where possible. Mr. Clark mentioned that he could make investments in TCD's and make 15%. Well, we made investments in TCD's yesterday at 17.90%. We made it at a local institution and we have better than one-third of our total portfolio invested in banks in savings and loans because they are short term types of investments. I don't believe that the NIC has a dime invested in a TCD's in any bank or savings and loan or thrift institution in the state of Nevada. The comment was made that this money comes from the employers of the state. Well, the employers of this state are businessmen of the state, who look to the banks and savings institutions of this state for money to increase their business and I believe the Governor said this morning that the tax package would stimulate business because people would take their savings and put it back in the banks. Well, I believe that if some of the money that came from the employees went back into the banks and financial institutions of this state, that would also stimulate business in this state and the economy.

Mr. Mello: That's exactly why PERS invests so much of their money in the state of Nevada.

This concluded the testimony on AB-230.

The next bill to be heard is AB-591 - Requires agenda of meetings of public bodies to be informative.

Assemblyman Bob Sader, District #32: I am here this morning to testify in support of AB-591. I requested this bill be committee introduction by your committee. This is a proposed revision to the open meeting law. You will see on Line 23 of Page 1 through Lines 1 and 2 of Page 2, the proposed language change. This is an addition to the open meeting law which would require that the agenda state in sufficient detail to give notice what actually is going to happen that day at the meeting. I have become aware of what I perceive to be a violation of the spirit of the open meeting law which has taken place in the last two years, and the agency responsible is the Nevada Industrial Commission. I am going to use the NIC as an example. I am not out hunting for the NIC. What I would like to see is the loophole that the NIC has brought to our attention be closed. The problem is that if you read the open meeting law, the words of the open meeting law, it does not suggest that you have to do anything more than publish an agenda and post it in proper fashion. It doesn't say what the agenda has to contain. Conceivably, a public body could post a pro forma agenda every week: 'old business, new business, claims', no substantive notice in the agenda, whatsoever. There is no way the public would know what is actually going to take place, except that there is going to be a meeting. I have seen copies of NIC agendas for several meetings in a row and I have shown them to Chairman Dini. Fortunately, I don't have them today because the lobbyist who brought them to me is not here today. I will submit those to you, showing meeting after meeting where the agenda is a one-page affair, one line for each item, and it simply says the equivalent of 'old business, new business', etc. There is nothing on it. I am not aware of any other public agency that publishes an agenda like this and I see representatives here of the City of Sparks, Reno. I have seen their agendas, They are good agendas. You can tell from them what is happening any particular day, pursuant to the items on the agenda. This is not a widespread problem, as far as I know. What I am concerned about is closing a very substantial loophole before it does, if ever, become a widespread problem. This is preventative medicine.

Mr. Dini: I don't understand why the Attorney General's office has allowed this to happen with the NIC. Is there a representative from his office?

(Representative): I am not here to make any statements on the bill, Mr. Sader, Mr. Chairman.

Mr. Sader: I spoke to Attorney General Bryan about it and he had not as of two days ago had an opportunity to review the bill.

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He did say, however, that the reason he has not investigated it is that he has received no complaints.

Mr. Schofield: Never has there been a complaint about an agenda through the Attorney General's office?

Mr. Sader: I can't tell you that. He was asked specifically about the problem with the NIC agendas and if this problem had ever come to his attention. His answer was: No. I have only seen agendas for a particular period in question. There were several meetings in a row where the agendas were like this. I am not aware that the NIC is still publishing agendas like this. In fact, I don't think they are. I don't really wish to focus on the NIC, per se, only to give you an example that this practice has occurred in the state in the last couple of years. It is not something that is a hypothetical situation and it illustrates a very major defect in the open meeting law that, if picked up by other public agencies, could just cut the law. This would be preventative medicine.

Mr. Redelsperger: Do you think this language is explicit enough?

Mr. Sader: Yes, I do, and it is a good point, Ken. I don't think that we should get so explicit in the language of the bill that we require that public bodies, like the City of Reno and the City of Sparks, have to publish more than they already are doing. If we put too much language in here and suggest that a lot of detail need be put in each agenda, it is going to become an onerous burden on the public bodies to comply with the law. The key language here would be 'sufficient detail to convey actual notice'. The concept of actual notice is dealt with in many sections of the law relating to court hearings and other things. It doesn't require much more than to identify the subject matter that is going to take place and related just enough so that you know what the subject matter is. The Attorney General would have to interpret that on an individual basis if he received complaints. Obviously, it does not mean 'old business, new business', but it also does not mean a page-long description of an item.

Mrs. Esther Nichol森, League of Women Voters: The League has supported open meeting legislation from the beginning. We are interested in closing, not only present loopholes but possible future loopholes that could be abused in carrying out the spirit of the law and, therefore, we do support this legislation. We hope you will give it a 'do pass'.

Mr. Larry Lesley, General Counsel and Vice Chancellor for Legal Affairs for the University of Nevada System, and Mr. Kenneth



Partridge, Vice Chancellor for Finance for the System, testified next.

Mr. Lesley: We are here at the request of the Board of Regents to seek an amendment to this bill to provide for some specific problems that the Board of Regents has with respect to compliance with the present open meeting law. The Board has requested from the Legislative Council Bureau that legislation be drafted and it would be appropriate for this committee include that in as an amendment to this particular bill. The Board is seeking to have NRS-396.100 amended to provide that meetings with the Board with investment counsel, which are limited to the planning of future investments or the establishment of investment objectives and policies, or with legal counsel, which are limited to advice on claims or suits by or against the University of Nevada, may be closed by the Board. This is not particularly new legislation. I call your attention to NRS-286.150, which presently provides that specific authority to the PERS Board. Secondly, the Board is seeking that NRS-396.100 be further amendment to provide that the Board may make investment decisions between its regularly scheduled meetings by means of a vote conducted by telephone and the results of those decisions must be made available to the public at the next regularly scheduled meeting of the Board.

With respect to the meeting of the Board with investment counsel and legal counsel in closed session, I would like to point out to you that the Board of Regents has not a large endowment, but approximately \$15 million, managed by Nevada banks at present. As with the PERS Board, some of our decisions with respect to investments are sensitive. Some potential opportunities can be lost as a result of having to discuss the matter in public. Of course, if this legislation were passed, the actual decision would be made in public, in compliance with the present law. With respect to the Board's desire to meet with legal counsel in a closed session concerning claims or suits against the University, the University has an unusual situation with respect to litigation. I am been with the Board of Regents for five years and I can tell you that nine out of ten lawsuits which were filed against the University of Nevada System or any of its campuses or officers, have to do with personnel matters. These are types of cases that, in my opinion, are best discussed between counsel and client in private. I see no point in making all the details of personnel matters public. I further find it difficult to detail with the Board, as with my predecessors, in trying to settle litigation. It is very difficult for me or any other attorney to walk in to an open meeting and discuss a case with the opposition also there. In a lawsuit, they might have a potential liability of \$150,000 and I might know that I might, perhaps, be able to settle that litigation for \$50,000. In my opinion, that would cost the public \$100,000. You could turn around and find that the opposing attorney is sitting in the audience at the open meeting or reading about it in the newspaper

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and I think that the attorney-client privilege should be maintained for the Board of Regents and its counsel, particularly because of the type of lawsuits involved. In regard to the amendment allowing the Board to make its investment decisions between its regular meetings by telephone vote, again, we have approximately \$15 million that is managed by banks. The banks do not handle the money in a decision-making capacity. They strictly provide advice to the Board of Regents. The Board is a constitutional entity and under various opinions we have received with respect to its authority to manage the money and the endowment of the University, we have consistently ruled that it is necessary that the Board itself make the actual investment decisions and not turn those decisions to a money manager. In many instances we have had cause to call emergency meetings of the Board of Regents when the money manager has advised us between regularly scheduled meetings of the Board that a particular stock was on the decline and anticipated to take a drastic turn downward which could result in a substantial loss of the University's portfolio. Many times, we can't find five Regents to call that special meeting. The ability to conduct those types of meetings and make those kinds of decisions by telephone between those regularly scheduled sessions, in my opinion, would greatly enhance the protection of the University's endowment.

Mr. Partridge: On the matter of holding special meetings, we held a special meeting on March 11, 1981 that required that Regent John Tom Ross fly from Carson City to Las Vegas to make that meeting. It was held at 3:47 P.M. As a result of that meeting, Valley Bank was able to sell three stocks that were held in their particular portion of the endowment fund at a profit of \$20,749.00. At that same meeting, First National Bank was able to make the recommendation to dispose of five investments that it held in its portfolio at a gain of \$270,157.00. Sitting here this morning listening to this committee, it seems to me that you are very concerned at all agencies of the state of Nevada that are investing money on behalf of the citizens of the state to maximize their earnings. This is one method that we will be able to utilize to maximize these earnings, such as we were able to do at this special meeting of the Board of Regents. We are not able to have these special meetings of the Board at any given time, so, our money managers have been greatly restricted over the last two or three years in some of their decisions. We are not able to maximize our return on our investments at this time.

Mr. Prengaman: I guess I just don't understand your investment policies. Why is it not possible to designate a sub-committee or handle the investments in some other manner besides meeting of the whole Board?

Mr. Lesley: Because the constitution of the state provides that the Board of Regents is to control the University and its affairs. We have consistently had rulings from the Attorney General, from my predecessor and it is my very conservative feeling, too, that this is exactly what the people of the state intended that the Board of Regents do when they adopted that provision of the constitution; that the Board make the decision. Our endowment fund contains no appropriated dollars. These are dollars that are given by donors to various institutions within the University of Nevada system. They have strings attached, they are for specific purposes. We hold those in a really strong fiduciary capacity.

Mayor Ron Player, Sparks: I would like to back up what Mr. Lesley said and also include the municipalities to allow them the right to attorney-client relationships. We have found in the City of Sparks - a prime example - a piece of property purchased for the downtown fire station was discussed in an open meeting. We were discussing one figure and when we were through, we ended up paying one-third more for the property than we would have done had we been able to negotiate behind closed doors. It appeared the the next morning's newspaper and affected the price. We needed the property and had to pay the higher price. When we are being sued, counsel and the city staff should have the right to consultation on a given suit where there is taxpayer money to be expended in the event the suit is decided in favor of the claimant.

Mr. Joe McClelland, Councilman, Reno: We do have a small problem with the wording in Section 1, subparagraph 4, 'sufficient detail'. We feel that we comply with the notice and descriptions and I have three separate agendas from different dates to put in the record for your information. These agendas are attached hereto as EXHIBIT B, and made a part of these minutes. We feel that we are putting out enough information. These are posted in the required places. What we don't want to get into is somebody who indicates that this is not sufficient detail. We have not had a complaint on the amount of information we are putting in our agendas and we don't want to have to come up and defend the amount of information we are putting in here.

Mr. Wayne Carlson, Senior Risk Management Analyst, Washoe County: We have a problem with the open meeting law with committees in discussing litigation or claims settlement issues. We review certain claims where we make recommendations to the Board of Commissioners regarding settlement or negotiation of claims. We feel that this would compromise our legal position in defense of claims or lawsuits. Personnel actions should also be closed.

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Mr. Chuck Neeley, representative of the Clark County School District: We are opposed to AB-591, primarily on the grounds that 'in sufficient detail' would be an interpretation of someone else. At the present time, we publish 250 agendas for every board meeting we have. The paper cost alone for these is about \$1,250.00 every two weeks. We feel that the open meeting law as presently written is sufficient. When you get into sufficient detail, who explains that. If we would have to take and explain out-when we discuss attendance zoning changes in one of our school districts-in the agenda twice, once for the informative meeting and the second for the action meeting, we could add another 30 to 40 pages to our agenda.

Mr. G. P. Etcheverry, Nevada League of Cities: I would like to make some general comments, not necessarily for or against the bill. In the original bill submitted by the League, we asked for basically some of the changes requested here. The same problems prevail in the cities, school districts, counties and some of the advisory boards and I think we have to make a distinction at some point in time to alleviate the Attorney General's office of making these decisions each time they come along. We have no opposition to the intent of 'in sufficient detail'.

This concluded the testimony on AB-591.

The next bill to be heard is SB-402 - Removes distinctions based on sex from requirements to serve on posse.

Senator Jean Ford, Clark County, Dist. #3: There is a principle involved and the Legislature, while choosing not to endorse a constitutional statement of equality, has indeed gone on record many times, one by one, in getting out of the law language that discriminates on the basis of sex. In 1975, there was an interim committee established to take a look at all of the law, and came back with extensive recommendations regarding some of the inequities that were in the law at that time. Almost all of those recommendations have passed. Last session, about twenty measures were introduced that were the remaining pieces of Nevada law that had discriminatory language and all but three or four passed. We introduced on the Senate side this time, the remaining bills and all of them have passed the Senate and are now in the Assembly and if passed this session, we could honestly say that the State of Nevada has no law in which there is discrimination based on sex. This is one of those three bills remaining. SB-402 was one of a number first passed in this state in 1866 and has not been amended since that time. This is not related to chasing criminals, law enforcement per se, but is related to the service of process only. On line 3 through line 5, allows the sheriff to have an option as to what kind and how many

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people he will need to apprehend someone. We did think in the Senate about just repealing the law entirely as being somewhat archaic. The urban counties certainly would have no problem with that, however, some of the rural sheriffs, when contacted, of course, felt that the law should be left as is.

Mr. Schofield: In the southern part of the state, the sheriff's posse has a number of women on it.

Mrs. Esther Nichol森: I just wanted to go on record that the League of Women Voters supports SB-402. We have supported every statutory change that removes discrimination on the basis of sex.

This concluded the testimony on SB-402.

The next bill to be heard is AB-470.

Assemblyman Lonnie Chaney, Dist. #7: There is an amendment for this bill, however, it is not ready as yet. I serve on the Governor's Commission on Minority Business Enterprises. One of the problems we have discovered so far is that minorities in many cases are rejected because of bonding and insurance reasons. We are working now with the Insurance Division and some of the bonding companies to set up a system that will cure that problem. The other problem is that, even at that, they would not be able to bid on large projects. The amendment would say - it would delete everything from Line 9. A copy of the amendment is attached hereto as EXHIBIT C, and made a part of these minutes. The wording would allow minorities the opportunity, if and when the MX missile comes in, to get in on some of the work, other than labor. I don't see it putting any real burden on any contractor.

Mr. Prengaman: You mentioned that the general contractor must submit a list of minority contractors on the project. If there are none, then he must still submit a list saying why there are none, or why none chose to submit a bid?

Mr. Chaney: No, if the minority contractors that he contacted did not choose to bid, then certainly they had a reason not to and it should be stated on his list of people that he contacted. This is so that a list is not submitted and say: I contacted them. There would be some substantiation.

Mr. Prengaman: If MX comes, a lot of the public works projects will be built out in central Nevada. They won't be built, necessarily in Las Vegas. Are we going to find many minority contractors out there.

Mr. Chaney: I don't know, but we certainly would find them in the state, and I don't think you'll have many problems with a **2072**

contractor from Washoe County or Clark County going anywhere where he can make some money. What we are trying to do is give the opportunity to that person who cannot get bonding and insurance for those large projects - so that they can get some of it. Every contractor uses subcontractors, and we feel they should consider some of these small minority contractors. A lot of the small contractors are going out of business because they just can't get the work. It has been recommended that the Board of Contractors would recommend to us the minority contractors that are qualified and suitable for certain jobs. In our final report to the Governor, we will submit those contractors because we are anxious to get rid of those that are not qualified, just as we are anxious to get work for those that are qualified. We don't want to damage the industry by having someone trying to destroy the work someone else could be doing.

Mr. Craddock: You might have a situation where the reason that the subcontractor wouldn't bid may be one you would not like to put on paper. The subcontractor might be recognized as being a little on the flakey side. I think this would be almost impossible to comply with in a practical application.

Mr. Chaney: It might be. I do know that there should be some way that those people could be helped. If you have to take out that part of it where he must not give his reasons, maybe. But I just think that there should be some way, and certainly, if you discover that this is a problem, there is always a solution to every problem.

Mr. Schofield: When the MX eventually comes, the dollars that are going to be granted in order to build that are going to be controlled by the federal government and there probably will be stipulations put on that will handle your concern, no matter who comes in to handle the project. They will establish a goal to make every effort possible to use minority businesses.

Mr. Chaney: We want people to be allowed to perform on their abilities and not to designate some much to so many. We are trying to qualify people to do a job and to do that job well, not just because the government says that you must have so many people sitting around. We are looking basically for productivity. We want to be a part of that and unless we are given a chance and we have to sit and wait until we are given these little areas that we can work in and perform in, then that is not what we are trying to do. We are trying to get out of that. In the next four, five, ten years, I would like to see that there is no minority jobs set aside. I would like to see a contractor be able to bid and if he gets the bid, O.K., if not, he goes somewhere else and makes another bid, but not have to sit there and hang on someone's coattails to try to see if he can get a job. But until he can get the opportunity to work

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himself up and to show that he can do the work, he won't be able to get the bonding and insurance requirements.

Mrs. Esther Nichol森: The League of Women Voters has been interested and involved in the efforts to prevent discrimination and provide equality of opportunity since the early 1960's, when the Civil Rights Act of 1964 and the Equal Opportunity Act were signed into law by President Johnson. Important gains have been made. Not enough, however. Partly because the federal government can't do it alone. States have to come in and assume their share of the responsibility, as well as private industry. Affirmative action has been one of the tools that has been used federally and lower levels of government as a means of trying to achieve the goals that Assemblyman Chaney just said. In order to overcome 200 years of discrimination, there has to be special efforts made to allow minority groups to get into the process and prove that they can be successful. This bill addresses that problem. It uses affirmative action. It seems to me that the people who are in or hoping to get into the intermediate level are the people that are referred to in this particular legislation. It doesn't seem to me that the 10% of the contracts to be allocated to minority groups is an unrealistic or unfair percentage of the contracts that the state is awarding. The League doesn't have a position, particularly, on the amendments that have been presented here today, but on the basic intent of the law, we do have a position, and we do hope that you will address the basic intent. If you need to change wording, O.K., but let's not just ignore the problem.

Mr. Max Christiansen, Southern Nevada Airconditioning and Sheet Metal Contractors: I am representing also the association in northern Nevada and the electrical contractors' group and the plumbing association, testified next.

Mr. Christiansen: This bill, AB-470, to us is not a workable bill. In southern Nevada, we have a bid depository. The subs bid through our office to the general contractors, who in turn pick up these sub bids at our office. We have worked with Horacio Lopez and were instrumental in forming the Greater Las Vegas Plan in the southern Nevada area, which was in operation up until six months or a year ago. In an effort to get the minority contractors more involved in the construction industry, we got a mailing list that Mr. Lopez gave to us that we use to put out bids. This includes all public works jobs or anything that goes out for competitive bidding. These minority contractors which number about 175 in the southern Nevada area, get a listing of these jobs that are bidding - the date, time of bidding, as well as who the general contractors are that they would be bidding to. I think that we have encouraged as much competitive bidding from the minority contractors in the Las Vegas as we possibly can.

Whether or not they respond to these jobs, of course, as was pointed out earlier, is dependent on how large of a contractor they are. How well qualified they are. If they have a \$5,000 limit on their bonding under the state contractor's law, they can't, of course, bid a \$100,000 job. We do have a lot of minority contractors, qualified and good ones, but like anything else, we have bad ones, whether they are minority or not. We do have a lot of minorities bidding. They do have the opportunity, and as you gentlemen know that are in business, when you submit a bid, it is the bottom line that gets the job. Our position on this bill is that it is too cumbersome and is definitely too costly for a contractor who is trying to meet a bid deadline and is bidding at the last minute to have to go through and start calling minority contractors requesting a bid, is unrealistic. A sub that wants a bid, gets it out to the general contractor. Every minority contractor in southern Nevada is aware of all public works jobs that go out to bid. Another thing to remember is that the low bid is not always the right bid. And, through the bid depository and the arrangements we have, if a sub-bidder bids too low, and we generally bid to the general contractors four hours prior to his bid time, he is notified, generally by the general contractor, to withdraw his bid. Many times, they don't withdraw it, and the general simply will not use it because their low bid is not the best bid. And, if he does use that bid to put together his bid to get the job, if he gets the job, then he has to eat the difference if the subcontractor then backs out of the job. And, that has happened.

Mr. Allen Bruce, representing the Associated General Contractors: Our principle objections to AB-470 arose from the language in Sections 3 and 4, and if those are in fact to be amended out, the only problem we would see remaining is the language in the amendment that Mr. Chaney submitted. First of all, the problems with Sections 3 and 4 would require that there be a 10% set aside of state work that would be awarded to minority contractors and, further, when a general contract is awarded, that 10% of that be in turn awarded to minority subcontractors. This is totally contrary to a basic fundamental in public works construction, of course, and that is, namely, that there should be free and open competitive bidding with the job being awarded to the lowest responsible bidder. To do otherwise, in our estimation, would only end up costing the taxpayers substantially more in construction costs. I can give you an example of that. Last year, the U. S. Department of Water and Power Resources, formerly, the Bureau of Reclamation, under the SBA 8A minority set aside program, awarded a contract, an underground contract, in the Overton area, to a minority contractor from California. The amount was approximately \$2.5 million just given to this contractor without any competitive bidding. One of the local contractors obtained the plans and specifications on that project and did an estimate, and based on what he told me, he could have, had that job been put to bid,

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would have bid that job at around \$700,000 less than the figure that it was awarded on. Insofar as the proposed amendment is concerned, I don't feel that putting the burden on the general contractor to go out and solicit bids from minority contractors, would be very meaningful in terms of the end results. In southern Nevada, as Mr. Christiansen indicated, the bulk of public works building projects are listed and circulated to a large mailing list on a regular basis, which includes, I believe, 150 to 175 minority contractors who are regularly informed of the opportunities to bid on this work, not only public works, but private works. Throughout the state, the listing of jobs bidding is well publicized through construction publications, both in southern and northern Nevada. I don't really see that minority subcontractors are being deprived of the opportunity to bid all of this work simply on the basis that they are not aware that it is on the board.

This concluded the testimony on AB-470.

The next bill to be heard is AB-509 - Provides for rotation of chairmanship of Airport Authority of Washoe County.

Assemblyman Peggy Westall, Dist. #31: The bill provides for the rotation of the chairmanship between the three entities for two years at a time and would go first to the county, since Reno has had it since the formation of the Authority; then, to Sparks for two years and then back to Reno. The chairmanship would rotate in that manner from then on.

Mr. Dini: Has there been a problem because the chairman has always been from Reno?

Mrs. Westall: It just means rather unfair. The Authority has been rather lopsided and, I believe, with the addition of this bill, there would not be a problem from here on with it. It would be a fair and balanced board and run in a fair and balanced manner.

Mr. Polish: Have you had any input from the Airport Authority on this?

Mrs. Westall: No.

Mr. Craddock: Would this enable the people to take advantage of the expertise as far as actually conducting the meetings. The best chairman may not be from any one given area at any particular point in time.

Mrs. Westall: All of the members on the board have been there for some time and should be rather familiar with the operation. They don't rotate.

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Mr. Joe McClelland, Councilman, Reno: The City Council on record approximately one week ago is opposing 6-0 the amendment to the bill. I would like to make a correction, or at least it can be substantiated, that all the chairmen of the Airport Authority have not come from Reno. The previous one was Don Corano, who was the Washoe County representative on the board. The current one is Syl Petroccini and he is from Reno. By dictating the terms, which is essentially what this bill does, rotates the terms for two years from the county to Sparks to Reno, there seems to be increased pressure on political bodies not to replace some of those chairmen if they are in the middles of ther term. What we would like to see is either do not dictate the length of term or make it one year and let the board of trustees set the length of time of the chair. We would like to see permissive legislation to let them operate in that manner. The problem we have is that we have four representatives on the board, Sparks has two and the County has two. If any sort of situation came up where the two county or two Sparks representatives had to leave the board and one of those two was the chairman, it would put the board in a leadership vacuum because the City of Sparks or the county, in either case, would have to put somebody in from the outside that is completely new to the airport operation. Under the terms of this legislation, those terms are for two years. What I am saying is, if for some reason, due to sickness, transfer, etc., either of those two representatives stepped down during those two years, it would not necessarily affect Reno that much, but it would put that board in a leadership jeopardy because in this legislation, leadership must come from that entity.

The last sentence in the proposed change indicates that the appointing authorities of Washoe County and the City of Reno shall designate which of its trustees shall serve as chairman. That is very convenient that Sparks was left out of that. I don't know why, but it puts a lot of pressure on the City of Reno to leave a chairman in there, if the City were to appoint that chairman, and if we wanted to replace him, it puts a lot pressure on us to do so. It is not that we are afraid of the pressure, but it seems that it should be distributed fairly. We believe the bill should be more permissive than it is.

Mr. Dini: Other than it be prestigious in running the meeting, what is the power of the chairman?

Mr. McClelland: That's just about it. We spoke to Mr. Petroccini about it and asked he what essentially he did, because they don't operate under by-laws, they operate under your laws. It is largely a ceremonial job. There is a lot of knowledge that has to come in that job.

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Mr. Rich Peacock, representing the Airport Authority of Washoe County, testified next on AB-509. His testimony is attached hereto as EXHIBIT D, and made a part of these minutes.

Mr. Mello: Did you say that you now have currently rotation?

Mr. Peacock: Yes, it is an unwritten policy. Yes, sir.

Mr. Mello: Then you should not have a problem with this, since it complies with what you are already doing.

Mr. Peacock: With that respect, I would agree with you, but we do have the reservation that we feel that the people who work with the chairman have the better knowledge of who that individual would be.

Mr. Mello: The next chairman will then come from Sparks. Is that what you are saying? Even if it is a new person.

Mr. Peacock: We would elect a chairman among those two representatives from Sparks.

Mr. Mello: What would happen if they are both new people?

Mr. Peacock: As I say, sir, it is an unwritten policy and I can foresee some circumstances under which it might not be followed.

Mr. Mello: Under this, then, it would be followed.

Mr. Peacock: Correct.

This concluded the testimony on AB-509.

The next bill to be heard is SB-569 - permits counties to establish programs of disability insurance or pensions for all officers and employees.

Mr. Wayne Carlson, Senior Risk Management Analyst for Washoe County: The bill enables the county at its election to provide disability insurance option as an employee benefit to any officer or employee of the county, as opposed to strictly to the county sheriff, sheriff's deputy or firemen, which is the current restriction. It broadens the election of the county to include that.

Mr. Dini: Does that include elected officials?

Mr. Carlson: The intention was in the original bill draft request to include elected or appointed officials. We would intend for that to include elected officers.

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Mr. Dini: Who would pay for this. Would this be a benefit for the elected officials, too?

Mr. Carlson: This would be a benefit option if the county chose to go ahead with a purchase of disability insurance. It could either be paid for by the county or by the employee, or jointly. That would be determined at the time that they made a decision to exercise the option. This is merely enabling the balance of employees and officers to have this.

Mr. Dini: The statutes provide that the Legislature sets the salary for county officials. If you start giving them fringe benefits - where do we have the authority to give fringe benefits without the Legislature setting them?

Mr. Caron: In NRS287, they allow the political subdivision to adopt a system of group insurance and this would be an adjunct to that kind of benefit system. I would envision that the benefit would be an option to the present group insurance program, which would apply to all employees, not a selected group of employees. At present it applies only to the sheriffs and firemen.

This concluded the testimony on SB-569.

The next bill to be heard is SB-570 - Broadens methods by which records of local government may be destroyed.

Mr. Guy Rocha, State Archivist: I have no objections to the amendments to NRS-239.120, as proposed in SB-570. I don't see why the court has to preside over a bonfire. I would like to further amend NRS-239.120, using this bill to delete the phrase: 'six years after the filing of them'. As the statute now reads, it establishes a retention period for the paper record in law which runs counter to the intent of NRS-239.125 "the state librarian shall adopt regulations providing for categories of old records and minimum retention periods for local government records", as well as conflicting with AB-495 which has been before you and addresses microfilming and other forms of reproducing the paper record in order to reduce volume at the discretion of the records custodians in conjunction with the state-county-municipal archives and state records management minimum retention schedules.

In support of my proposed amendment, I would like to quote a legislative commission report of September, 1976, entitled "Record Retention Procedures of Local Governments". Assemblymen, Dini, May and Mello served on this commission. "Based upon the several meetings in the counties and upon discussion with the local government advisory committee of the Department of Taxation, it was determined by the investigators for the study that the archives, through the Secretary of State, now the State Library, should be

granted limited authority under the Administrative Procedure Act to define categories of records and to establish minimum retention periods for such records. It was found that most states with public document laws do not attempt to specify retention schedules in the law, but leave it to regulation by an agency with the expertise in the field. This is one instance where I caught a bill that had one of these retention periods in the law. We are at this point in time promulgating our second retention schedule. We have a public hearing on May 19. There are other laws that will not be before us in terms of bills to amend them. Hopefully, in 1983, we can approach standardization in the law in terms of eliminating retention periods in law and promulgating them through policy.

This concluded the testimony on SB-570.

On AB-392: Mr. Schofield moved an AMEND AND DO PASS, seconded by Mr. Mello. Motion carried.

On SB-526: Mr. Nicholas moved a DO PASS, seconded by Mr. DuBois. Motion carried.

On SB-421: Mr. Mello moved a DO PASS AND REREFERRED TO WAYS AND MEANS, seconded by Mr. DuBois. Motion carried.

On AB-591: Mr. Jeffrey moved for INDEFINITE POSTPONEMENT, seconded by Mr. May. Motion carried.

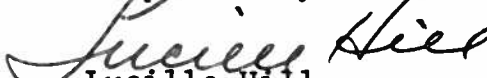
On SB-402: Mr. Nicholas moved a DO PASS, seconded by Mr. Craddock. Motion carried.

On SB-569: Mr. Mello moved for INDEFINITE POSTPONEMENT, seconded by Mr. Nicholas. Motion carried.

On SB-570: Mr. Prengaman moved for an AMEND AND DO PASS, seconded by Mr. DuBois. Motion carried.

On AB-509: Mr. Mello moved for an AMEND AND DO PASS, seconded by Mr. Prengaman. Motion carried.

Respectfully submitted,

  
Lucille Hill  
Assembly Attache

ASSEMBLY GOVERNMENT AFFAIRS COMMITTEE

GUEST LIST

Date 5-7-81

PLEASE PRINT

<u>PLEASE PRINT YOUR NAME</u>	<u>PLEASE PRINT REPRESENTING:</u>	<u>I WISH TO SPEAK</u>		
		<u>FOR</u>	<u>AGAINST</u>	<u>BILL NO.</u>
✓ Ron Player	Washoe County Dist. Bd. Health	X	✓	AB 392
✓ Larry D. Lessly	University of Nevada System	X	✓	AB 591
✓ Joe McVeigh	CITY OF RENO	X	-	AB 591/509
JIM LORIGAN	NIC	X	✓	230
Med Christensen	So. Nev. Child Care & Youth Mental Health	X	✓	AB 470
Allan Bruce	Assoc. General Contractors	X	-	AB 470
Larry Foutz	DEPT. OF PRISONS	X		
Steve Robinson	" " "	X	✓	SB 421
Esther Nicholson	League Women Voters	X	✓	470, 591, 402
RICHARD PEACOCK	AIRPORT AUTHORITY OF WASHOE CTY	X	✓	AB 509
Conding Ford	Office of Health Planning			
Ken Portridge	WafN Systems	X	✓	AB 591

ASSEMBLY GOVERNMENT AFFAIRS COMMITTEE

GUEST LIST

Date 5/7/81

<u>PLEASE PRINT YOUR NAME</u>	<u>PLEASE PRINT REPRESENTING:</u>	<u>I WISH TO SPEAK</u>		
		FOR	AGAINST	BILL NO.
Chuck King	CENTRAL	✓		
Wayne Carlson	Washoe Co	✓	Amendment needed	AB 591
Wayne H Guy Louis Rocha	"	✓		AB 569
Guy Louis Rocha	State, County & Municipal Archives	✓		SB 570
Pete Pradere	NDOT			AB 470

2082

*Exh A*

**COMMENTS ON AB 230**

**JAMES S. LORIGAN  
COMMISSIONER**

**NEVADA INDUSTRIAL COMMISSION**

*Exhibit A 2083*



The first question that must be answered is why is AB 230 necessary. What is AB 230 intended to do that is not being adequately done now?

AB 230 creates an investment committee for State Insurance Fund. The committee is composed of:

- a. The state treasurer, who shall act as chairman;
- b. The chairman of the Nevada Industrial Commission;
- c. A representative of labor, appointed by the governor;
- d. A representative of employers, appointed by the governor; and
- e. A representative of the public who must have at least 5 years experience in the investment of money, appointed by the governor.

AB 230 also states that:

1. The investment committee shall establish the objectives, policies and procedures for investing the assets of the state insurance fund and other funds established for industrial insurance. The committee shall employ investment counsel to recommend individual purchases and sales, and a bank to hold the assets as fiduciary.
2. The committee may employ an investment consultant to prepare suggested objectives, policies and procedures, to solicit proposals for employment as investment counsel and custodial bank, and generally to make available an expert knowledge of investment. If employed, the consultant shall assist the committee in contracting with the selected investment counsel and custodial bank and in reviewing their performance. Such a consultant is not eligible, during or for 2 years after his employment, to serve as investment counsel or custodial bank. The consultant must be paid from the state insurance fund.

This seems unnecessary because an investment committee now exists and is composed of:

- a. The chairman of the NIC, who is chairman;
- b. The commissioner representing labor, appointed by the governor; and
- c. The commissioner representing employers, appointed by the governor.

This committee currently establishes the objectives, policies and procedures for investing the assets of the state insurance fund.

Section 4 of AB 230 is currently covered in the existing NRS 616.497 which states that the Commission may employ investment counsel, NRS 616.455 which states that the Commission, by resolution approved by the governor, state treasurer and state controller, two of whom shall constitute a majority, in writing, may designate a bank or banks as collection depositaries, and may deposit therewith, with or without interest, for collection, all premiums, contributions, penalties, properties or securities paid to or collected or acquired by the commission, and such collection depositaries shall be required to furnish security for such deposits in the full amount thereof as provided in this chapter. All the proceeds of such collections, except as otherwise provided in this chapter, shall be transferred from such depositaries to the state insurance fund by the commission. NRS 616.4971 paragraph 6 states that with the approval of the State board of Finance, the Commission may designate the bank or banks which shall have the custody of the various investments.

Section 5 of AB 230 states that the investment committee shall meet quarterly, and shall report its proceedings, promptly after each meeting, to the interim finance committee, the legislative commission, and the state board of finance. The Commission now meeting quarterly as an investment committee to review the past performance of the investment managers and to discuss future strategy.

Also Section 5 appears to be rather repetitious because NRS 616.4972 paragraph 5 states:

Any investment program adopted by the commission and all investments made thereunder shall be reported quarterly in writing by the commission to the state board of finance, and such report shall be subject to review by the state board of finance. The state board of finance may require the commission to provide further reports and may recommend modifications in the investment program, including replacement of the investment counsel. If, after a reasonable time, the commission has not taken suitable corrective action in response to recommendations by the state board of finance, the state board of finance may direct the commission to implement its recommendations in a manner acceptable to the state board of finance. Any directives from the state board of finance shall be in writing.

It is unclear to NIC why this reporting requirement would not continue to be accepted.

Although we certainly have no objections to also reporting to the interim finance committee, the legislative commission, or any other committee that would be interested, it does seem repetitious and perhaps even unnecessary.

The remainder of AB 230 does several things. It eliminates the investment guidelines currently built into the NRS and establishes the prudent man investment philosophy. Although this philosophy certainly has some merit and considerable appeal it can cause real problems.

One such example is the Alaskan retirement system. Gold at one time was a fantastic investment. Some people bought gold at \$350 an ounce and the price in a short time went to over \$800 per ounce. The Alaskan retirement system saw this happening and decided to invest in gold. They bought one metric ton of gold at over \$700 per ounce. The price of gold over the next year fluctuated some and while it was at \$545 per ounce they thought it prudent to buy another metric ton. They now own 2 metric tons of gold and the gold price today is less than \$500 per ounce.

I am not implying that our current investment guidelines would prevent NIC from making a bad investment but they do prevent us from buying such highly speculative things as gold, silver and diamonds.

The NIC is an insurance company and as such has a very unpredictable liability. Usually the more unpredictable the liability is the more conservative the investment philosophy is. Our investment guidelines are conservative because we are an insurance company. The proposed prudent man rule is not conservative and is not usually used by insurance companies.

The retirement system liability is predictable and the prudent man philosophy it has adopted is appropriate. This point is not easily understood and is often overlooked but it must be considered.

One other confusing thing about AB 230 is, if the investment committee chaired by the state treasurer meets only quarterly, and the investment counsel is hired to recommend individual purchases and sales who will select the purchases and sales when the committee is not in session? It appears that AB 230 intends for the committee to actually decide what to buy and sell. It is logical to assume that when the committee is not in session that the buy and sell decisions would be made solely by the state treasurer.

The state treasurer has already told this committee that he would not rely on investment counsel in the same way as the NIC currently does. He prefers to make the buy and sell decisions himself. This is definitely not advisable. It is impossible for me to understand how any one person could imply that he can replace the expertise of our current investment managers by hiring only one or two additional people. One big problem in doing this is good people with the expertise to manage investment funds, are paid substantially more than the state system can pay. Also it just is not feasible to replace the extensive analytical staff of our investment managers with only a few people and it certainly isn't prudent to depend

only on the advice of brokers because their advice could possible be somewhat biased depending on what they want to sell. If the intent of AB 230 is to handle our investments in the same way as we currently do then we must again question the necessity of AB 230.

AB 230 requires that the state treasurer be chairman of the investment committee. I feel we must question that.

The State Treasurer is an elected official. Because the State Treasurer is an elected official, we don't know who will be in control of the funds. It is possible that someone lacking investment expertise will, in the future, be elected to that office.

The State Treasurer, being an elected official, is primarily responsible to the taxpayers of the State. Our fund is responsible to the employers and employees covered by our insurance. It is conceivable that these responsibilities, at some point in time, could conflict with one another.

We currently have a vested interest in seeing that the fund is run properly. The State Treasurer may not have that same interest. This fund would simply be only one of the many duties that the Treasurer has to deal with. This, coupled with the possibility that the State Treasurer may not always be experienced in investments, could create severe problems.

It must be emphasized that the NIC funds are not State assets. These funds are being held in trust for the injured workers and employers. The Commissioners are the trustees of the fund and it seems illogical that anyone else would be responsible for the investment of these funds.

There does not appear to be any advantage in putting the NIC portfolio under the control of the State Treasurer. A logical question that must be asked is, why? What advantage is there in doing this?

For the above reasons, it does not appear to be preferred or prudent to have an elected official on the committee and it certainly is extremely questionable to have an elected official chair the committee.

We also see no reason why, if the committee is to exist, it would be advantageous to restrict the first appointments of representatives of labor and employers to only those persons serving on the Advisory Board of Review.

It seems more logical to continue our current investment committee which consists of the three Commissioners.

If a different investment committee must be formed it seems logical to have the same requirements for all members to have investment knowledge not just the representatives of the public. Also, the term of the committee members should be four years, not three years, and they should be staggered. This would tend to insulate the committee from political influence.

Finally, if the workers compensation reorganization bill SB 548, passes, the whole point of AB 230 becomes moot. The Board of Directors of the State Industrial Insurance System, the successor to NIC's insurance function, becomes the responsible party for investments. The Board of Directors will be made up of three management, three labor and three public members who must be knowledgeable in investments, insurance or organization and management.

MAYOR BARBARA BENNETT  
WARD I.....COUNCILMAN STAN GREENE  
WARD II.....COUNCILWOMAN JANICE PINE  
WARD III...COUNCILMAN ED SPOON  
WARD IV....COUNCILMAN JOE McCLELLAND  
WARD V.....COUNCILMAN BRUNO MENICUCCI  
AT LARGE...COUNCILMAN BILL WALLACE

CITY ATTORNEY LOUIS TEST  
CITY CLERK GILBERT MANDAGARAN  
CITY MANAGER CHRIS CHURCHES

AGENDA

RENO CITY COUNCIL REGULAR MEETING

APRIL 13, 1981

COUNCIL CHAMBERS

8:00 A.M.

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I. INVOCATION:

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II. PLEDGE OF ALLEGIANCE:

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III. ROLL CALL:

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IV. APPROVAL OF MINUTES:

A. March 23, 1981, Regular Meeting

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V. CONSENT AGENDA:

A. Agenda Report #81-165 re: 7th Parcel Map for White Pine Lumber Company - Divides a 28.338+ acre property located east of Plumas Street, west of Lakeside Drive and south of the proposed SW corridor for McCarran Boulevard into four parcels, three of which are portions of the Lakeridge Apartments and the fourth is the McCarran corridor

Recommended: Council approve; authorize Mayor to sign and staff to record

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B. Agenda Report #81-166 re: Final Map for Lakeridge Apartments - A Condominium Conversion Phase East Subdivision submitted by Eastside Investment Co. with Nathan L. Topol as General Partner - located between Plumas Street and Lakeside Drive, south of proposed McCarran Boulevard on property zoned R-3 (multiple), consisting of 320 units on 24.368+ acres

Recommended: Council approve subject to approval of 7th Parcel Map for White Pine Lumber Company; authorize Mayor to sign and staff to record

V. CONSENT AGENDA CONTINUED:

- C. Agenda Report #81-167 re: Final Map for Lakeridge Apartments - A Condominium Conversion Phase I Subdivision submitted by Tee Investment Co. with Nathan L. Topol as General Partner - located on west side of Plumas Street, south of Razorback Road and north of Ridgeview Drive, on property zoned R-3 (multiple), consisting of 42 units on 5.496+ acres

Recommended: Council approve subject to approval of 7th Parcel Map for White Pine Lumber Company; authorize Mayor to sign and staff to record

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- D. Agenda Report #81-168 re: Final Map for Lakeridge Apartments - A Condominium Conversion Phase II Subdivision submitted by Green Investment Co. with Nathan L. Topol as General Partner - located on west side of Plumas Street, south of Razorback Road and north of Ridgeview Drive, on property zoned R-3 (multiple), consisting of 84 units on 6.612+ acres

Recommended: Council approve subject to approval of 7th Parcel Map for White Pine Lumber Company; authorize Mayor to sign and staff to record

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- E. Agenda Report #81-169 re: Abandonment of Montello Street, south of East Ninth Street

Recommended: Council approve; authorize Mayor to sign order of abandonment

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- F. Agenda Report #81-170 re: Final Map for Park Terrace Subdivision submitted by Park Terrace IV a General Partnership - located between Interstate 80 and East Ninth Street, west of Safe Street, northeast Reno, on property zoned R-3 (multiple), consisting of 223 units on 7.85+ acres

Recommended: Council approve subject to receipt of and approval by the City Attorney of the subdivision securities with attached Exhibit "A", and affirmative action being taken by Council on the abandonment of Montello Street; authorize Mayor to sign, staff to record

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- G. Agenda Report #81-171 re: Bid Award - Project No. 631-S4(81) - Contract No. 46 - "Reno/Stead Wastewater Treatment Facility"

Recommended: Council award bid

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- 0602  
H. Agenda Report #81-172 re: Final Payment No. 631-SH(80) - Contract No. 424 - "Allen Street Sanitary Sewer Replacement" - Gerhardt & Berry Construction

Recommended: Council approve final payment in the amount of \$3,953.44

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V. CONSENT AGENDA CONTINUED:

- I. Agenda Report #81-173 re: Final Payment - Project No. 550-TY(79) - Contract No. 402 - "1979/80 Permanent Patch" Granite Construction Co.

Recommended: Council approve final payment in the amount of \$18,550.42

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- J. Agenda Report #81-174 re: Contract Agreement Extension - Donner Springs Unit No. 7 subdivision - submitted by DiLoreto Construction and Development, Inc., located east of Donner Springs Subdivision fronting Sierra Madre Drive and Reggie Road, southeast Reno, on property zoned R-2 (Limited Multiple), consisting of 14 units on 2.4+ acres

Recommended: Council approve; authorize Mayor to sign subject to approval of documents by City Attorney, staff to record

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- K. Agenda Report #81-175 re: Contract Agreement Extension - Country Estates Unit 1a and Unit 2 Subdivisions - submitted by E.G.H. & Associates, Inc.

Recommended: Council approve; authorize Mayor to sign subject to approval of documents by City Attorney, staff to record

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- L. Agenda Report #81-176 re: Contract Change Order - Project No. 613-RC(80) - Contract No. 424-A - "Linnecke Property Perimeter Fence" - Ray Smith Ghen's Welding

Recommended: Council approve

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- M. Agenda Report #81-177 re: Contract Change Order - Project No. 631-RI(80) - Contract No. 430 - "Mayor's Park Softball and Little League Fields" - Bilt-Rite Construction Co.

Recommended: Council approve

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- N. Agenda Report #81-178 re: Contract Change Order - Project No. 0621-KE - Contract No. 404-A - "City Hall Offices" - Sinclair Street, Reno - Krump Construction, Inc.

Recommended: Council approve

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- O. Agenda Report #81-179 re: Building Construction Testing - Project No. 0621-KE - Contract No. 404-A - "City Hall Offices - Sinclair Street, Reno - Krump Construction, Inc.

Recommended: Council approve

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- P. Agenda Report #81-180 re: Acquisition for the Extension of McCarran Boulevard SE Quadrant, Donald and Melba Ellis

Recommended: Council accept the deed for 3,428 sq. ft. of property; authorize Mayor to sign agreement

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V. CONSENT AGENDA CONTINUED:

Q. Agenda Report #81-181 re: Abandonment of an alley between North Arlington Avenue & West Street and Maple & Elm Streets by St. Mary's Hospital

Recommended: Refer petition for abandonment to the Regional Planning Commission

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R. Agenda Report #81-182 re: License Applications

Recommended: Council approve

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S. Agenda Report #81-183 re: Request from City Clerk for disposal of records

Recommended: Council approve request

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T. Agenda Report #81-184 re: New & Amended Records Retention Schedules

Recommended: Council approve

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U. Cash disbursements from March 12 through April 1, 1981

Recommended: Council approve

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V. Variance Case No. V-42-81R (Keith Pierce) - Request to erect a 6 foot fence in the required front yard on a corner lot, located at 4425 Camino Lindo Way (Ward 3)

Recommended: Council approve subject to 3 conditions

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W. Variance Case No. V-43-81R (Charles Tremain) - Request to reduce the required side yard setback from 5 feet to 3 1/2 feet in the construction of an attached solar-collector greenhouse to a single family residence, located at 3370 Lodestar Lane (Ward 4)

Recommended: Council approve subject to 3 conditions

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X. Variance Case No. V-44-81R (Richard Lowden) - Request to reduce the required front yard setback from 10 feet to 2 feet in the construction of an addition to an existing office building, located at 401 Court Street (Ward 2)

Recommended: Council approve subject to 3 conditions

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Y. Variance Case No. V-46-81R (MGM Grand Hotel) - Request to delete the 4 foot to 6 foot view screening fence that was to be erected around the perimeter of their trailer park along the westerly and northerly portion, located at 2500 East Second Street (Ward 3)

Recommended: Council approve subject to 3 conditions

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T602

V. CONSENT AGENDA CONTINUED:

- Z. Special Use Permit Case No. SP-39-81R (John Robb) - Request to allow a dog show of the Reno Kennel Club to be held on May 30, 1981, located at 395 Booth Street (Ward 1)

Recommended: Council approve subject to 3 conditions

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END CONSENT AGENDA

ACTION: Motion to approve and take specified action on Consent Agenda items A through Z

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VI. AGENDA ITEMS AND REPORTS:

- A. Agenda Report #81-185 re: Request by Daniel & Carol Rohn to move a single family residence from 611 Plumas Avenue to 823 Humboldt Street, Reno
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VII. PUBLIC HEARINGS:

- 10:00 A.M. A. Public Hearing re: Assessment Roll Hearing - 1978 Special Assessment District No. 2

1. Agenda Report #81-186 attached
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- 11:00 A.M. B. Public Hearing re: Hi Ho Motor Lodge - Request to receive license to do business as an Adult Motel subject to waiver of 900 feet restriction as contained in the Reno Municipal Code
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VIII. ORDINANCES AND RESOLUTIONS:

A. Ordinances, Second Reading:

1. Bill #3312 re: Ordinance to repeal Chapter 5.40 entitled "Child Care Facilities"
- 

2. Bill #3313 re: Ordinance amending Title 5 by creating new Chapter 5.40 entitled "Child Care Facilities" to designate the Washoe County Welfare Department as the child care licensing agency of the City

- a. Agenda Report #81-187 attached
- 

3. Bill #3314 re: Annexation ordinance, vicinity North Virginia Street

- a. Agenda Report #81-188 attached
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4. Bill #3315 re: Annexation ordinance, vicinity Cashill Boulevard

- a. Agenda Report #81-189 attached
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VIII. ORDINANCES AND RESOLUTIONS CONTINUED:

A. Ordinances, Second Reading Continued:

5. Bill #3316 re: Annexation ordinance, vicinity Peckham Lane

a. Agenda Report #81-190 attached

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6. Bill #3317 re: Annexation ordinance, vicinity Timber Way

a. Agenda Report #81-191 attached

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7. Bill #3318 re: Annexation ordinance, vicinity Selmi Drive

a. Agenda Report #81-192 attached

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8. Bill #3319 re: Annexation ordinance, vicinity Hoge Road

a. Agenda Report #81-193 attached

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B. Ordinances, First Reading:

1. Bill #3320 re: Annexation ordinance, vicinity McCarran Boulevard

a. Agenda Report #81-194 attached

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2. Bill #3321 re: An Ordinance to amend Title 16, Chapter 16.08 of the Reno Municipal Code by deleting certain wording contained in Section 16.08.030(c) and Section 16.08.030(e) entitled "Definitions" and substituting therefore new wording

a. Agenda Report #81-195 re: Items VIII. 2. through 6. attached

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3. Bill #3322 re: An Ordinance to amend Title 16 of the Reno Municipal Code by adding thereto a new Chapter 16.02 entitled "Reno City Planning Commission", to provide for the purposes, duties, membership, terms of office, meetings and funding for said Reno City Planning Commission, together with other matters properly relating thereto

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4. Bill #3323 re: An Ordinance to amend Title 2, Chapter 2.24 of the Reno Municipal Code, by deleting certain wording contained in Section 2.24.010 entitled "Citizen's Policy Planning Advisory Commission on City-Wide Urban Development - Establishment and Membership", and substituting therefore new wording to provide for community development areas; together with other matters properly relating thereto

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2602

VIII. ORDINANCES AND RESOLUTIONS CONTINUED:

B. Ordinances, First Reading Continued:

5. Bill #3324 re: An Ordinance to amend Title 2, Chapter 2.24 of the Reno Municipal Code by deleting therefrom certain wording in Section 2.24.060, entitled "Commission Purposes and Duties"

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6. Bill #3325 re: An Ordinance to amend Title 16, Chapter 16.04 of the Reno Municipal Code entitled "Representation of City on Planning Commission" by deleting certain wording contained in Section 16.04.020 and substituting therefore new wording to provide for the limiting of the jurisdiction of the Regional Planning Commission; together with other matters properly relating thereto

C. Resolutions:

1. Resolution #3676 re: Resolution of Intent to abandon alley between Morrill Avenue & Spokane Street and Fourth & Fifth Streets
  - a. Agenda Report #81-196 attached

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2. Resolution #3677 re: Abandoning proceedings on the City of Reno, Nevada 1980 Special Assessment District No. 1, prior to the Provisional Order Hearing
  - a. Agenda Report #81-197 attached

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3. Resolution #3678 re: Abandoning proceedings on the City of Reno, Nevada 1980 Special Assessment District No. 2, prior to the Provisional Order Hearing
  - a. Agenda Report #81-198 attached

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4. Resolution #3679 re: Directing the City Engineer of the City of Reno, Nevada, to prepare, submit and file with the City Clerk, certain preliminary plans, a preliminary estimate of cost and an assessment plat; all in connection with the proposed acquisition and improvement of a street project and a sanitary sewer project, to be known as the City of Reno, Nevada 1980 Special Assessment District No. 3
  - a. Agenda Report #81-199 attached

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5. Resolution #3680 re: Appointing the Housing Authority of the City of Reno as the representative of the Section 8 existing housing program
  - a. Agenda Report #81-200 attached

VIII. ORDINANCES AND RESOLUTIONS CONTINUED:

B. Ordinances, First Reading Continued:

6. Resolution #3681 re: A Resolution to rescind Resolution No. 3629 and 3645 and to provide general operational guidelines for use by all boards and commissions created by the Reno City Council
  - a. Agenda Report #81-201 attached

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IX. OLD BUSINESS:

- A. Agenda Report #81-202 re: Establish trade for Hall Drive abandonment

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X. NEW BUSINESS:

- A. Agenda Report #81-203 re: Reprogramming of Community Development Block Grant Funds to the Hubert H. Humphrey Project

- 
- B. Agenda Report #81-204 re: Addendum to agreement with the Housing Authority of the City of Reno to acquire 56 units of Public Housing

- 
- C. Agenda Report #81-205 re: Appeal for sidewalk waiver from La Quinta Motor Inn

- 
- D. Agenda Report #81-206 re: 911 Emergency Telephone System implementation

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- E. Agenda Report #81-207 re: Agreement between City of Reno and Washoe County School District for sewer lateral necessary for McQueen High School

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XI. BIDS AND CONTRACTS:

- A. Agenda Report #81-208 re: Bid #546 - Laboratory Equipment for Wastewater Treatment Plant - Sanitary Engineering

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XII. REGIONAL PLANNING COMMISSION, BOARDS AND COMMISSIONS:

A. Regional Planning Commission:

1. Special Use Permit - Major Project Review Case No. MPR-4-81R Modification (Smithridge Plaza) (Ward 3)

Request for minor variations to the site plan

As the proposed change would result in a decrease in impacts and an overall improvement in the interior circulation patterns, the Regional Planning Commission does not require further agency review for this change - Council need only acknowledge receipt

8632

XII. REGIONAL PLANNING COMMISSION, BOARDS AND COMMISSIONS CONTINUED:

A. Regional Planning Commission Continued:

2. Special Use Permit Case No. SP-29-81R (K.O.A. Campground) (Ward 4)

Request to install a retail self-service gasoline outlet in conjunction with the convenience store and expand the convenience store (25' X 50'), located at 600 Newport Lane, Panther Valley

Recommended for approval by the Regional Planning Commission subject to 4 conditions

5:30  
P.M.

3. Time Certain re: Special Use Permit - Major Project Review Case No. MPR-9-81R and Tentative Subdivision Maps for Northwest Villas Amended and Roma Village (Ron Smith/Property Investment and Development Corp.) (Ward 5)

Request to construct 94 duplex-style town house units and 20 single-family lots on a parcel of property 20.4+ acres in size, located on both sides of Wyoming Avenue, between St. Albert's Drive and Seventh Street

Recommended for approval by the Regional Planning Commission subject to conditions

B. Boards and Commissions:

1. Report from City Clerk re: Appointments to Boards and Commissions:
- a. Recreation and Parks Commission (3 appt.)
  - b. Alarm Advisory Committee (2 appt.)
  - c. Truckee River Advisory Board (1 appt.)
  - d. Reno Commission on the Status of Women (1 appt.)

XIII. CITY ATTORNEY REPORTS:

(None)

XIV. MAYOR AND CITY COUNCIL:

- A. Request of Councilman McClelland for discussion of information for Council candidates following Primary Election

XV. ADJOURNMENT:

MAYOR BARBARA BENNETT  
WARD I.....COUNCILMAN STAN GREENE  
WARD II.....COUNCILWOMAN JANICE PINE  
WARD III...COUNCILMAN ED SPOON  
WARD IV....COUNCILMAN JOE McCLELLAND  
WARD V.....COUNCILMAN BRUNO MENICUCCI  
AT LARGE...COUNCILMAN BILL WALLACE

CITY ATTORNEY LOUIS TEST  
CITY CLERK GILBERT MANDAGARAN  
CITY MANAGER CHRIS CHERCHES

AGENDA

RENO CITY COUNCIL REGULAR MEETING

JANUARY 26, 1981

COUNCIL CHAMBERS

8:00 A.M.

'AGENDA ITEMS WITH TIME ASSIGNMENTS'

VII. PUBLIC HEARINGS:

- A. Public Hearing re: Abandonment Request - Portion of Humboldt Street and two alleys between Plumas and Lander Streets and Walker Avenue and Monroe Street 9:30 A.M.
- B. Show Cause Hearing re: Complaint to determine if business license of Timothy S. Moore, dba Fund Raiser Products, Inc. should be suspended or revoked because of alleged law enforcement problems and municipal code violations TO FOLLOW
- C. Public Hearing re: Council review of Community Development Block Grant fiscal year 1981-82 applications for funding 10:00 A.M.
1. Agenda Report #81-35 attached
- D. Public Hearing re: Change of Land Use District Case No. C-20-81R (Robert D. France) 11:00 A.M.

CITY COUNCIL AGENDA

I. INVOCATION:

A. Ernest Myers, Jr., First Southern Baptist Church

II. PLEDGE OF ALLEGIANCE:

III. ROLL CALL:

IV. APPROVAL OF MINUTES:

A. January 12, 1981, Regular Meeting

V. CONSENT AGENDA:

A. Agenda Report #81-19 re: Parcel Maps

David and Diane Montgomery (County) - Divides an 11.61+ acre property located adjacent to the south and east of the U.S. 395 right-of-way southeast of the Reno-Stead area into three parcels for mini-warehouse development

2nd for Spooner, Spooner and Richards (County) - Divides a 5.19+ acre property located adjacent to Bridle Way, Plateau Road and Plateau Court in the Juniper Hills area west of Reno into four parcels for residential use

Warzeha, et al (County) - Divides an 18.8+ acre property located adjacent to the south of Plateau Road in the Juniper Hills area west of Reno into four parcels for residential development

St. Charles Place - Divides a 23,200+ sq. ft. property and adds a 540 sq. ft. property, located adjacent to the south of Charles Drive in southwest Reno, to create four parcels for residential use

Spencer Honey - Divides a 20,758+ sq. ft. property located adjacent to the south of Mayberry Drive and adjacent to the north of Regent Street west of Ferris Lane in west Reno into two parcels for residential use

Estate of William Powell Lear - Divides a 7.55+ acre property into three parcels for the purpose of commercial development - property located at the southwest corner of Stead and Silver Lake Boulevards in the Reno-Stead area

Recommended: Council approve, authorize Mayor to sign and staff to record City maps

B. Agenda Report #81-20 re: Final Map

5602 Ridgeview Unit 4 (County) - subdivision submitted by Ridgeview Inc., a Nevada Corp., located west of Edmonds Drive north of Zolezzi Lane and south of the Steamboat Ditch, Washoe County, Nevada, within three miles of the south Reno City Limits, on property zoned A-1 (First Agricultural) consisting of 29 lots

Recommended: Council approve, authorize Mayor to sign and staff to record



V. CONSENT AGENDA CONTINUED:

C. Agenda Report #81-21 re: Amended Plat

Donner Creek Village Condominium Subdivision - Submitted by Diloreto Construction and Development, Inc., located east of the Longley Lane, Boynton Lane intersection, southeast Reno, Nevada, on property zoned R-2 (Limited Multiple), consisting of 760 units on 60+ acres

Recommended: Council approve, authorize Mayor to sign subject to approval by City Attorney and staff to record

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D. Agenda Report #81-22 re: Contract Change Order No. 1 - Project No. 300-QQ(80) - Contract No. 416 - "Moana Stadium Ballfield Lighting" - Moltzen Electric, Inc.

Recommended: Council approve, authorize staff to implement

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E. Agenda Report #81-23 re: Contract Change Order No. 2 - Project No. 631-A3(80) - Contract No. 422 - South Virginia Street Sewer Replacement" - T. W. Construction Co., Inc.

Recommended: Council approve, authorize staff to implement

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F. Agenda Report #81-24 re: Bid Award - Project No. 631-EN(80) - Contract No. 436 - "Truckee River Pedestrian Bridges"

Recommended: Council award bid

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G. Agenda Report #81-25 re: Energy System Agreement with Honeywell

Recommended: Council approve, authorize Mayor to sign

**ITEM WITHDRAWN**

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H. Agenda Report #81-26 re: Highway Safety Contract Agreement No. NM 542-80-804 with Nevada Department of Transportation re: Pavement Marking Demonstration Program

Recommended: Council approve, authorize staff to process agreement

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I. Agenda Report #81-27 re: Consideration of Entry Level Housing Proposal

Recommended: Council approve

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J. Agenda Report #81-28 re: Reduction of Park Fee for Retirement Manor Associates

Recommended: Council reduce park fee on Retirement Manor Associates to \$56,000

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V. CONSENT AGENDA CONTINUED:

K. Agenda Report #81-29 re: Acquisition of right-of-way: northeast corner of Lakeside Drive & Brinkby Avenue - Retirement Manor Associates

Recommended: Council accept deed from Retirement Manor Associates for right-of-way

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L. Agenda Report #81-30 re: License Applications

Recommended: Council approve

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M. Agenda Report #81-31 re: Claim of Mark and Genvieve Deautel in the amount of \$9,710.00

Recommended: Council acknowledge claim and refer to staff for action

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N. Agenda Report #81-32 re: Circus/Circus Tunnel (beneath Sierra Street)

Recommended: Council approve

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O. Special Use Permit Case No. SP-24-81R (Western Sizzlin Steak House)

Request to construct a restaurant in a C-1 (Limited Commercial) zone, located on the southwest corner of Moana Lane and Grant Drive (currently constructed; the request is an effort to clarify and rectify an existing non-conforming use) (Ward 2)

Recommended: Council approve subject to conditions

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P. Special Use Permit Case No. SP-25-81R (Edward L. Oremen)

Request to operate a retail shopping center and erect signs to advertise said shopping center in a C-1 (Limited Commercial) zone, located on the northeast corner of McCarran Boulevard and Clearacre Lane (Ward 4)

Recommended: Council approve subject to conditions

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Q. Cash disbursements from January 8, 1981 through January 21, 1981

Recommended: Council approve

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R. Communication from Civil Service Commission re: Employee Confirmations

Recommended: Council approve

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END CONSENT AGENDA

ACTION: Motion to approve and take specified action on Consent Agenda items A through R

9602

VI. AGENDA ITEMS AND REPORTS:

A. Agenda Report #81-33 re: Rancho San Rafael Sewer Service

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B. Agenda Report #81-34 re: Reprogramming of \$38,730 in Community Development Block Grant Funds to Youth Services Center and Amendment to Agreement between Community Services Agency of Washoe County and City of Reno

**ITEM WITHDRAWN**

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VII. PUBLIC HEARINGS:

9:30  
A.M.

A. Public Hearing re: Abandonment Request - Portion of Humboldt Street and two alleys between Plumas and Lander Streets and Walker Avenue and Monroe Street, Reno, Nevada

Request to abandon site of old Billingshurst Junior High School to clear title on this property so that it may be developed as a park site

Recommended for approval by the Regional Planning Commission subject to 3 conditions (Ward 2)

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TO FOLLOW

B. Show Cause Hearing re: Complaint to determine if business license of Timothy S. Moore, dba Fund Raiser Products, Inc., should be suspended or revoked because of alleged law enforcement problems and municipal code violations

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10:00  
A.M.

C. Public Hearing re: Council review of Community Development Block Grant fiscal year 1981-82 applications for funding

1. Agenda Report #81-35 attached

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11:00  
A.M.

D. Public Hearing re: Change of Land Use District Case No. C-20-81R (Robert D. France)

Request to change the zoning from R-1a (Single Family) to P-O (Professional Office) on a parcel of property 13,420+ square feet in size, located at 1820 South Arlington Avenue

Applicant proposes to convert an existing single-family residence for use as a dental office

Recommended for denial by the Regional Planning Commission and appealed to the Council by Jeffrey F. Collier, representing the applicant Robert D. France (Ward 2)

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VIII. ORDINANCES AND RESOLUTIONS:

A. Ordinances, Second Reading:

1. Bill #3299, Ord. # \_\_\_\_\_ re: Land Use Change, Case No. C-17-81R

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2. Bill #3300, Ord. # \_\_\_\_\_ re: Land Use Change, Case No. C-15-81R

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VIII. ORDINANCES AND RESOLUTIONS CONTINUED:

A. Ordinances, Second Reading Continued:

3. Bill #3301, Ord. # \_\_\_\_\_ re: An ordinance to amend Title 13, by repealing the requirement of having an electric utility representative on the Board of Electrical Appeals

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4. Bill #3302, Ord. # \_\_\_\_\_ re: Ordinance to amend Chapter 7.24 to add curb and gutter repairs to the sidewalk repair and reconstruction provisions of the Reno Municipal Code

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5. Bill #3303, Ord. # \_\_\_\_\_ re: Ordinance to amend Section 7.20.083 by adding thereto wording to make sewer main and storm drains synonymous when referred to in this section and by adding a new section E to allow for the construction of sewer mains and storm drain line extensions by a political subdivision of the State of Nevada
  - a. Agenda Report #81-36 attached

B. Ordinances, First Reading:

1. Bill #3304 re: Ordinance annexing to and making part of the City certain territory located west of Ranger Road and south of the Western Pacific right of way

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2. Bill #3305 re: Ordinance annexing to and making part of the City certain territory located on Idlewild Drive

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3. Bill #3306 re: Ordinance for Change of Land Use in Case No. C-26-81R reclassifying from E-1 (First Estates) to R-3 (Multiple)

C. Resolutions:

1. Resolution #3663 re: Resolution of Intent in Case No. C-21-81R (Dale L. Landon, et al/APN 007-141-06)

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2. Resolution #3664 re: Resolution of Intent in Case No. C-24-81R, (David R. Jarrett/APN 13-025-11, 12 & 13)

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3. Resolution #3665 re: Resolution of Intent in Case No. C-25-81R - I.G.M., Inc.

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4. Resolution #3666 re: Resolution of Intent in Case No. C-5-81R (Commission Initiated/APN 25-021-11)

2602

IX. OLD BUSINESS:

(None)

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X. NEW BUSINESS:

(None)

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XI. BIDS AND CONTRACTS:

A. Agenda Report #81-37 re: Bid #544 - Weed/Dry Grass & Nuisance Abatement - Fire Prevention

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B. Agenda Report #81-38 re: Maintenance Agreement for Citifare radios

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XII. REGIONAL PLANNING COMMISSION, BOARDS AND COMMISSIONS:

A. Regional Planning Commission:

1. Special Use Permit - Major Project Review Case No. MPR-10-81R (St. Mary's Hospital)

Request to construct a six-story addition to St. Mary's Hospital consisting of 156,384 square feet of new floor area and to remodel 52,800 square feet of existing floor space in an R-5 (Unlimited Multiple Office) zone on 4.6+ acres of land situated on the block bounded by Maple Street, West Street, West Sixth Street and Arlington Avenue

Recommended for approval by the Regional Planning Commission subject to 10 conditions - Appeal period expires January 19, 1981 (Ward 4)

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2. Special Use Permit Case No. SP-27-81R and Tentative Subdivision Map for Copperfield Highlands

Request for a subdivision consisting of 144 townhouse style units to be developed in two phases, located on 37.5+ acres of land in an R-1 (Single Family) zone, situated on the south side of Silverlake Boulevard, east of the Red Rock Road

Recommended for approval by the Regional Planning Commission subject to 31 conditions - Appeal period expires January 22, 1981 (Ward 4)

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3. Special Use Permit Case No. SP-28-81R and Tentative Subdivision Map for the Sunburst Subdivision, an Entry-Level Housing Subdivision

Proposed subdivision consists of 41 single-family lots on 7.05+ acres of land in an R-1 (Single Family) zone, situated at the north end of Harding Way Extended

Recommended for approval by the Regional Planning Commission subject to 24 conditions - Appeal period expires January 22, 1981 (Ward 5)

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XII. REGIONAL PLANNING COMMISSION, BOARDS AND COMMISSIONS CONTINUED:

A. Regional Planning Commission Continued:

4. Tentative Subdivision Map for Roma Village

Proposed subdivision consists of 26 single-family lots on 6.4+ acres of land in an R-1 (Single Family) zone, situated on the west side of Wyoming Avenue between the Highland Ditch and West Seventh Street

Recommended for approval by the Regional Planning Commission subject to 27 conditions (Ward 5)

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5. Request for Extension - Tentative Subdivision Map - Meadow Creek Estates Unit No. 2

Recommended for approval by the Regional Planning Commission subject to the original 24 conditions - Attached are 24 additional conditions suggested by the City Engineer (Ward 3)

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B. Boards and Commissions:

1. Street Naming Committee - Request from the Washoe County Engineer's Office to rename that portion of Boynton Lane through Reno Freeport Aircenter (north to its end at McCarran) to Longley Lane - Request was made as a result of the realignment of Boynton Lane

Recommend for approval by the Street Naming Committee (Ward 3)

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2. Report from City Clerk re: Appointments to Boards and Commissions:

a. Citizens Policy Planning Advisory Commission (2)

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XIII. CITY ATTORNEY REPORTS:

- A. Summons and Complaint - Raymond Horstmeyer vs. City of Reno (Personal Injury Suit involving Park & Recreation activity)
- 

XIV. MAYOR AND CITY COUNCIL:

(None)

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XV. CITIZENS TO BE HEARD:

- A. Request of Robert D. Montgomery for permission to operate a portable vending machine on Virginia Street and the River Front area presently being developed by the Reno Chamber of Commerce and City of Reno
- 

XVI. ADJOURNMENT:

KERRY

MAYOR BARBARA BENNETT  
WARD I.....COUNCILMAN STAN GREENE  
WARD II.....COUNCILWOMAN JANICE PINE  
WARD III...COUNCILMAN ED SPOON  
WARD IV....COUNCILMAN JOE McCLELLAND  
WARD V.....COUNCILMAN BRUNO MENICUCCI  
AT LARGE...COUNCILMAN BILL WALLACE

CITY ATTORNEY LOUIS TEST  
CITY CLERK GILBERT MANDAGARAN  
CITY MANAGER CHRIS CHERCHES

AGENDA

RENO CITY COUNCIL

REGULAR MEETING

NOVEMBER 10, 1980

COUNCIL CHAMBERS

8:00 A.M.

'AGENDA ITEMS WITH TIME ASSIGNMENTS'

- VI. AGENDA ITEMS AND REPORTS:  
(Requiring Staff Attendance)
- A. Verbal report from Steve Bradhurst regarding MX Planning . 8:00 A.M.
- XVII. CITIZENS TO BE HEARD:
- A. Northeast Reno Outreach Council, Inc. re: Minorities and female employees 10:30 A.M.
- B. Robert E. Adkins re: Quality of building construction and inspection 11:00 A.M.
- XI. OLD BUSINESS:
- A. Council Memo #80-704 re: Industrial Revenue Bond Financing 1:30 P.M.
- XII. BIDS AND CONTRACTS:
- A. Council Memo #80-708 re: Bid Award - City Hall Offices - Project No. 0621-KE(79) - Contract No. 404 2:00 P.M.
- VII. PUBLIC HEARINGS:
- A. Public Hearing re: C-13-81R 2:30 P.M.
- XIV. REGIONAL PLANNING COMMISSION, BOARD OF ADJUSTMENT, BOARDS AND COMMISSIONS: TO FOLLOW  
2:30 P.M.  
HEARING
- VII. PUBLIC HEARINGS:
- B. Public Hearing re: C-12-81R (D. J. Lambert) 5:00 P.M.
- C. Public Hearing re: C-4-81R and MPR-2-81R (Day's Inn) 5:15 P.M.
- D. Public Hearing re: C-11-81R (J. Keller and J. Streeter) 5:30 P.M.

CITY COUNCIL AGENDA

I. INVOCATION:

A. Reverend Truman Robbins

II. PLEDGE OF ALLEGIANCE:

III. ROLL CALL:

IV. APPROVAL OF MINUTES:

A. October 27, 1980, Regular Meeting

V. CONSENT AGENDA:

A. Council Memo #80-688 re: Parcel Map

Dan Lemaire (County) - Divides a .92+ acre property located west of a private street known as Comstock Drive, which is east of North Virginia Street and north of McCarran Blvd., north of Reno, into two parcels for residential use

Recommended: Council approve, authorize Mayor to sign, after which the maps can be forwarded to the County Engineer for further processing

B. Council Memo #80-689 re: Final Map

Washoe Vista Unit 2 Subdivision - Submitted by Atlas Heating and Ventilating Company, Ltd., located on Talus Way extended west of North Virginia Street, Northwest Reno, on property zoned R-1, consisting of 83 units on 26+ acres

Recommended: Council approve, authorize Mayor to sign subject to the approval of the Contract Agreement and Subdivision Guarantee by the City Attorney - the Agreement and Guarantee can then be filed with the City Clerk and the map recorded

C. Council Memo #80-690 re: Final Map

University Heights Unit No. 1 Subdivision - Submitted by Hutton Associates, a California Corporation, located along the easterly side of Comstock Drive, Reno, on property zoned E-1, consisting of 43 units on 15.6+ acres

6602  
Recommended: Council approve, authorize Mayor to sign subject to the approval of the Contract Agreement and Subdivision Guarantee by the City Attorney - the Agreement and Guarantee can then be filed with the City Clerk and the map recorded

ITEM WITHDRAWN



V. CONSENT AGENDA CONTINUED:

- D. Council Memo #80-691 re: Subdivision Contract Agreement Extension - Terra View Condominiums - a 60 unit condominium subdivision located between Stead Boulevard, Mt. Babcock and Mt. Anderson in the Reno-Stead area - the Agreement extension is between the City of Reno and George Karadanis, owner

Recommended: Council approve, authorize Mayor to sign subject to the approval of the Contract Agreement Extension and Subdivision Guarantee by the City Attorney - the Agreement and Guarantee can then be filed with the City Clerk

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- E. Council Memo #80-692 re: Notice of Completion - Project No. 620-RL(79) - Contract No. 377-B - "Crissie Caughlin Park" - Valley Crest Landscape, Inc.

Recommended: Council approve, authorize Mayor to sign and City Clerk to record on or before November 13, 1980

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- F. Council Memo #80-693 re: Contract Change Order No. 1 - Project No. 631-A3(80) - Contract No. 422 - "South Virginia Sewer Replacement" - T.W. Construction Co., Inc.

Recommended: Council approve then return to Public Works Department (Engineering Division for implementation

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- G. Council Memo #80-694 re: Contract Change Order No. 1 - Project No. 550-TY(80) - Contract No. 402 - "1979/80 Permanent Patch Program" - Granite Construction Co.

Recommended: Council approve and return to Public Works Department (Engineering Division) for implementation

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- H. Council Memo #80-695 re: Change Order No. 14 to the Contract with Del E. Webb Corporation for the construction of the Early Start Project at the Reno-Sparks Joint Water Pollution Control Plant

Recommended: Council approve Change Order No. 14 in the amount of \$14,029 and authorize the Mayor to sign the document

---

- I. Council Memo #80-696 re: Sale of 1.78 acres of excess property by the City of Reno to Washoe County, located at 1250 East Second Street, next to Washoe County Hospital

Recommended: Council approve, authorize Mayor to sign the Agreement and Quitclaim Deed and instruct staff to finalize the transaction

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V. CONSENT AGENDA CONTINUED:

J. Council Memo #80-697 re: Acquisition of Storm Drain Easement on Talus Way - Atlas Heating & Ventilating Co.

Recommended: Council approve, authorize Mayor to accept Easement and instruct City Clerk to record

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K. Council Memo #80-698 re: Annexation of 14.545 acres located at the northeast corner of McCarran Boulevard and Clearacre Lane by Ralph G. & Marguerite Monsees

Recommended: Council accept Petition and follow usual procedure to its conclusion

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L. Council Memo #80-699 re: Account transfers within departments

Recommended: Council approve

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M. Council Memo #80-700 re: Subdivision Street Lighting: Warren Estates Unit No. 1

Recommended: Council authorize the Sierra Pacific Power Company to install fourteen (14) 9500 lumen high pressure sodium vapor street lights - Warren Estates Unit No. 1

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N. Council Memo #80-701 re: Claim against the City of Reno filed by Betty Flyge in the amount of \$25,000.00

Recommended: Council acknowledge and refer to the Risk Management Committee for action

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O. Council Memo #80-702 re: Request by Arleen Scoggins to move a single family residence from 204 Marsh to 4900 Block of Koenig Avenue, Reno

Recommended: Council approve

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P. Communication from Civil Service Commission re: Employee Confirmations

Recommended: Council approve

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Q. All Funds Regular Warrants

Recommended: Council approve

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VI. AGENDA ITEMS AND REPORTS:  
(Requiring Staff Attendance)

012  
8:00  
A.M.  
A. Verbal report from Steve Bradhurst regarding MX Planning

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VI. AGENDA ITEMS AND REPORTS CONTINUED:  
(Requiring Staff Attendance)

- B. Council Memo #80-703 re: Agreement between Cavanaugh and the City of Reno for transfer of property for public housing development

~~ITEM WITHDRAWN~~

VII. PUBLIC HEARINGS:

2:30  
P.M.

- A. Public Hearing re: Change of Land Use District Case No. C-13-81R (Commission Initiated)

Request to change the zoning from C-1 (Limited Commercial) and C-1 (Limited Commercial) under Resolution of Intent to P-0 (Professional Office) on three parcels of property 37,897+ square feet, located on property north of West Peckham Lane, between Baker Lane and Bonsar Lane

Recommended for approval by the Regional Planning Commission subject to 5 conditions (Ward 2)

5:00  
P.M.

- B. Public Hearing re: Change of Land Use District Case No. C-12-81R (D. J. Lambert)

Request to change the zoning from R-1a (Single Family) to R-1 (Single Family) on two parcels of property totaling 1+ acre in size, located on the west side of Clough Road, between Feather Way and West Plumb Lane

Recommended for denial by the Regional Planning Commission and appealed to the City Council by Rick Johnson of the Associated Land Surveyors (Ward 1)

5:15  
P.M.

- C. Public Hearing re: Change of Land Use District Case No. C-4-81R and Major Project Review Case No. MPR-2-31R (Day's Inn)

Request to change the zoning from R-3 (Multiple) to C-3 (General Commercial) on a parcel of property 2.2+ acres in size, located south of I-80, north of East Seventh Street and west of Wells Avenue and request to construct a 138-unit, four-story motel, a 44-seat restaurant and a two-pump service station on subject site

Recommended for denial by the Regional Planning Commission and appealed to the City Council by the applicant Fred Parker (Ward 4)

5:30  
P.M.

- D. Public Hearing re: Change of Land Use District Case No. C-11-81R (J. Keller and J. Streeter)

Request to change the zoning from R-2 (Multiple) to C-2 (Local Commercial) on a parcel of property 2+ acres in size, located at 3380 Lakeside Drive

Recommended for denial by the Regional Planning Commission and appealed to the City Council by applicants James Keller and Jack Streeter (Ward 2)

VIII. SPECIAL BILLS AND CLAIMS:

(None)

IX. ORDINANCES AND RESOLUTIONS:

A. Ordinances, Second Reading:

1. Bill #3291, Ord. # \_\_\_\_\_ re: An ordinance amending Section 4.48.100 by extending the boundary line for the location of pawnshops

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2. Bill #3292, Ord. # \_\_\_\_\_ re: An ordinance amending Section 4.60.040, entitled "Application for license renewal" by redesignating the boundary lines for secondhand and small merchandise dealers

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B. Ordinances, First Reading:

1. Bill #3293 re: An ordinance concerning a Land Use Change from R-1 (Single Family) to C-3 (General Commercial) in Case No. C-9-81R

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C. Resolutions:

1. Resolution #3633 re: Resolution of Intent, Case No. C-3-81R

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2. Resolution #3639 re: Resolution of Intent, Case No. C-10-81R

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3. Resolution #3640 re: Resolution expressing need for affordable child care and encouraging private employers to assist in alleviating the problem

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4. Resolution #3641 re: Transfer of Contingency Appropriations

a. Council Memo #80-714 attached

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5. Resolution #3642 re: Notice of Intention to Act on Proposed Transfer of Estimated Revenue

a. Council Memo #80-715 attached

1012

X. OLD BUSINESS:

1:30 A. Council Memo #80-704 re: Industrial Revenue Bond  
P.M. Financing

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B. Council Memo #80-664 re: Acquisition of 1.822 acres for park at the end of Dickerson Road from Nona and Richard F. Baker (deferred from October 27th meeting)

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XI. NEW BUSINESS:

A. Washoe County District Board of Health Resolution adopting a fee schedule for certain health permits

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B. Council Memo #80-705 re: Segregation of Sewer Connection Fees contributed for Stead area locations

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XII. BIDS AND CONTRACTS:

2:00 A. Council Memo #80-706 re: Bid Award - City Hall Offices -  
P.M. Project No. 0621-KE(79) - Contract No. 404

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B. Council Memo #80-707 re: Bid Award - Project No. 631-RC(80) - Contract No. 424-A - "Linnecke Property Perimeter Fence, Platform and Stairway"

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C. Council Memo #80-708 re: Bid Award - Project No. 631-RI(80) - Contract No. 430 - "Mayor's Park Softball and Little League Fields"

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D. Council Memo #80-709 re: Bid #531 - Security Fence - Police Department

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E. Council Memo #80-710 re: Bid #533 - Dump Trucks - Park Division, Sewer Lines Section, Motor Vehicle Division and Street Division

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F. Council Memo #80-711 re: Bid #536 - Riot Helmets - Police Department

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XII. BIDS AND CONTRACTS CONTINUED:

- G. Consideration of Amended Interlocal Agreement concerning the Washoe County Health District

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- H. Council Memo #80-712 re: Agreement between Washoe County Airport Authority and City for Police Department use of runways at Reno/Stead Airport

XIII. LICENSE APPLICATIONS:

- A. Council Memo #80-713 re: License Applications

XIV. REGIONAL PLANNING COMMISSION, BOARD OF ADJUSTMENT, BOARDS AND COMMISSIONS:

TO  
FOLLOW  
2:30 P.M.  
HEARING

A. Regional Planning Commission:

1. Tentative Subdivision Map - Wedekind Condominium Subdivision

Request for reapproval of tentative subdivision map subject to original conditions imposed with the added condition that application for and issuance of a Special Use Permit for Major Project Review be obtained

Recommended for denial by the Regional Planning Commission based solely upon failure to submit application for MPR along with the application for reapproval of tentative map (Ward 4)

- 
2. Extension of Change of Land Use District Case No. C-50-78R (Wilbur J. Stephens)

Request for a one-year extension

Regional Planning Commission recommended that instead of an extension the condition No. 3 be removed from the Resolution of Intent

Recommended to uphold the Regional Planning Commission and remove condition No. 3 and request City Attorney's office to proceed with the necessary ordinance changing the zoning to R-1a (Ward 1)

2012

XIV. REGIONAL PLANNING COMMISSION, BOARD OF ADJUSTMENT, BOARDS AND COMMISSIONS CONTINUED:

B. Board of Adjustment:

1. Special Use Permit Case No. SP-17-81R (Henry Yup)

Request to erect a free-standing sign to advertise a commercial enterprise in a P-O zone under Resolution of Intent, located at 1795 Lakeside Drive

Recommended for approval by the Board of Adjustment subject to 4 conditions (Ward 2)

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2. Special Use Permit Case No. SP-18-81R (James Lambert)

Request to construct and operate a professional office in a P-O (Professional Office) zone under Resolution of Intent, located at 1026 West First Street

Recommended for approval by the Board of Adjustment subject to 4 conditions (Ward 5)

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3. Special Use Permit Case No. SP-19-81R (Robert Braman)

Request to erect a free standing sign to advertise a commercial enterprise in a C-1 (Limited Commercial) zone, located at 3785 Baker Lane

Recommended for approval by the Board of Adjustment subject to 3 conditions (Ward 2)

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4. Variance Case No. V-24-81R (Thrifty Tire, Inc.)

Request to reduce the required rear yard setback from 10 feet to 0 feet and to reduce the required parking from 12 spaces to 1 space in the construction of an addition to an existing commercial building, located at 590 Kietzke Lane

Recommended for approval by the Board of Adjustment subject to 4 conditions (Ward 3)

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5. Variance Case No. V-25-81R (Jacob Schmid)

Request to reduce the required rear yard setback from 20 feet to 5 feet in the construction of an attached garage, located at 1901 Coleman Drive

Recommended for denial by the Board of Adjustment

Appeal period expires November 7, 1980 - If no appeal filed with the City Clerk, Council need only acknowledge receipt (Ward 5)

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XIV. REGIONAL PLANNING COMMISSION, BOARD OF ADJUSTMENT, BOARDS AND COMMISSIONS CONTINUED:

B. Board of Adjustment Continued:

6. Variance Case No. V-26-81R (Odd Fellows)

Request to reduce the required rear yard setback from 10 feet to 0 feet in the construction of employee housing, located at 1155 Beech Street

Recommended for approval by the Board of Adjustment subject to 3 conditions (Ward 4)

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7. Variance Case No. V-28-81R (Board of Regents)

Request to reduce the required front yard setback from 15 feet to 5 feet in the construction of a post-office, located on 2 parcels of property and a fraction of a third, being 45 Artemesia Way and 1144, 1168 North Sierra Street

Recommended for approval by the Board of Adjustment subject to 8 conditions (Ward 4)

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8. Variance Case No. V-29-81R (S. L. Bruckner)

Request to reduce the required rear yard setback from 20 feet to 15 feet in the construction of a bedroom addition to an existing single family residence, located at 1465 Huntington Circle

Recommended for approval by the Board of Adjustment subject to 3 conditions (Ward 2)

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C. Boards and Commissions:

1. Report from City Clerk re: Appointments to Boards and Commissions:

- a. Mobile Home Advisory Board (1 appointment)
  - b. Reno Commission on the Status of Women (2 appointments) - deferred from 10/27/80
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XV. CITY ATTORNEY REPORTS:

A. Report from City Attorney re: Adoption of signed contracts for tow company service agreements and authorization for the Mayor to sign any and all other service contracts with tow companies qualified by the Reno Police Department

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B. Report from City Attorney re: Agreement with Nevada Industrial Parks, Inc. and the City of Sparks for removal of excess dirt and fill due to construction at the Joint Treatment Plant

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XVI. MAYOR AND CITY COUNCIL:

(None)

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XVII. CITIZENS TO BE HEARD:

10:30 A. Northeast Reno Outreach Council, Inc. re: Minorities and  
A.M. female employees

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11:00 B. Robert E. Adkins re: Quality of building construction and  
A.M. inspection

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XVIII. ADJOURNMENT:

The Prime Contractor must ~~and~~ <sup>make every</sup>  
~~at least~~ effort to award sub-contracts to at least  
10% minority subcontractors. The Prime  
Contractor ~~also~~ must furnish with his bid  
a list of those minority contractors ~~that~~  
have been solicited for subcontracts for that  
particular project. If the minority  
subcontractors ~~would~~ <sup>choose</sup> not <sup>to</sup> bid, the list  
must so state the reasons.

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must so state the reasons.

The Airport Authority of Washoe County believes that AB 509 is not in the best interests of the citizens of Washoe County. The Authority opposes this bill for three reasons:

First, the Airport Authority already abides by an unwritten policy which has the same intent as this new proposal. Our first chairman, Donald Caram, was a Washoe County representative. When his 2-year term expired, our Board of Trustees elected Gil Pettricani, a Reno representative. When Chairman Pettricani's term expires next year, a Sparks representative will be elected. So the rotation system among our three entities is already in place and working well. Also in place is the 2-year term for chairman. In these areas, <sup>these</sup> ~~the~~ provisions of AB 509 change nothing and are therefore unnecessary.

Secondly, we are disturbed at the idea of what this proposal ~~might~~ <sup>might</sup> mean to the effectiveness of our

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Board - a Board, I might add, that has successfully steered the Airport Authority through not only the challenges of forming an entirely new governmental entity, but has also guided the planning and construction of a new terminal facility, and has grappled with tough community relations problems like airport noise. One of the reasons this Board has been so effective is that the Board itself elects one of its members to the key position of chairman. Board members come to understand the dynamics of their interactions and deliberations. They learn through experience who among them are the best listeners, the best problem solvers, and the best leaders. Therefore, we feel that those who work with the Chairman, not an outside agency, should elect a leader to legislators, who among you feel an outside entity should name your leader here in the Legislature?

In addition, it is quite conceivable that under AB 509, a new appointee, just beginning ~~his~~<sup>his</sup> term on the Board, could be named chairman. Our Board believes an experienced member would be a more appropriate choice.

Finally, we feel that the State Legislature already has enough to do without burying itself in the affairs of a local airport authority. The nation as a whole is asking for less government, and we feel that matters that can be handled on a local level should be handled on a local level.

In conclusion, the Airport Authority of Washoe County is proud of its accomplishments in its first three years. Much of this success can be credited to the legislation which created the authority in 1978. The legislation you gave us then has served us <sup>in the County</sup> well. ~~and~~ We see no need to weaken it with the intrusive, arbitrary procedures proposed in AB 509.

Thank you.