

MINUTES OF THE
MEETING OF THE SENATE COMMITTEE
ON FINANCE

SIXTY-FIRST SESSION
NEVADA STATE LEGISLATURE
March 12, 1981

The Senate Committee on Finance was called to order by Chairman Floyd R. Lamb, at 8:00 a.m., Thursday, March 12, 1-81, in Room 231 of the Nevada State Legislature Building, Carson City, Nevada. Exhibit A is the Meeting Agenda.

COMMITTEE MEMBERS PRESENT:

Senator Floyd R. Lamb, Chairman
Senator James I. Gibson, Vice Chairman
Senator Eugene V. Echols
Senator Norman D. Glaser
Senator Lawrence E. Jacobsen
Senator Thomas R.C. Wilson
Senator Clifford E. McCorkle

COMMITTEE MEMBERS ABSENT:

(None).

STAFF MEMBERS PRESENT:

Ronald W. Sparks, Chief Fiscal Analyst
Dan Miles, Deputy Fiscal Analyst
Tracy L. Dukic, Secretary

OTHERS PRESENT:

Howard E. Barrett, Chief, Budget Division.

The meeting was called to order by Senator Floyd R. Lamb, Chairman, at 8:00 a.m. The first item on the agenda was the budget presentation of the Racing Commission, page 773, as presented by Duane Goble, Executive Secretary, and Sharon G. Brandsness, Chairman. (Please see attached Exhibit B for Mr. Goble's presentation.)

Senator Lamb asked Mr. Goble if there had been many infractions of the Racing Commission Rules.

Mr. Goble replied that they have, to date, assessed \$500 in fines and cited two drug violations.

Senator Lamb asked why it is necessary for the Commission to do so much traveling.

Ms. Brandsness replied that there are significant discussions and information that are presented at these meetings that supply them with additional information the Commission needs to continually update their operations. There are discussions concerning new pre-race testing and the latest advances in this area, as well as promotional work that can be done to get more jockeys interested in Nevada's race tracks.

Senator Lamb responded that the size of the purses will cause jockeys to race in Nevada more than the promotional work done by the Commission.

Ms. Brandsness replied that they are facing many obstacles in this regard. She told the committee that Nevada had heretofore a bad reputation, and the Commission has had to overcome this image. She said that the out-of-state competition is a lot stiffer and the promotion of year-round racing has cut into the popularity of racing in Nevada.

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Mr. Sparks asked why there had been the deletion of a repayment to the General Fund of \$58,000 in the first year of the biennium and \$27,000 in the second year of the biennium, and how the Racing Commission proposed to pay that money back. He also questioned that there is a deficit reflected in the new budget in each year of the biennium of approximately \$60,000 per year. He asked Ms. Brandsness how the Racing Commission is proposing to balance that budget.

Ms. Brandsness replied that the money that Mr. Sparks referred to in his question was a loan given to the Racing Commission from the General Fund for initial set-up fees. She told the committee that they are currently receiving 1% of the draw from the Pari-Mutual Racetrack and there is a bill in the Senate at present to remove that 1% revenue and that the Racing Commission become funded 100% by the General Fund. She told the committee that because of this confusion, the Commission is not sure of what is going to happen to their funding base. Ms. Brandsness added that they are proposing a 150 day season.

Senator Lamb asked Ms. Brandsness how she felt about a 150 day season.

Ms. Brandsness replied that she would rather see a 100 day season of good racing than a 150 day season of mediocre racing. She stressed that part of the success of the Racing Commission will be its ability to expand and grow as any business has to. She also stressed that Nevada horse racing is losing many good horses because Nevada does not institute a breeding program. She said that many of the breeders are given no incentive to keep the horses racing in the State because of this.

Senator Jacobsen asked how many commissioners are on the Racing Commission Board and if it is necessary to attend all the meetings and racing promotion events as they have been described.

Ms. Brandsness replied that there are five commissioners on the Commission. She added that she feels it is necessary to have the ability to travel to promote racing in Nevada, talk to the jockeys and ask them to come and race here and to talk to horsemen and ask them to try out Nevada. She said that these seminars and conferences have been most helpful in getting information about the latest developments in track servicing and to avail the Racing Commission of experts in all areas, particularly, pre-race sample testing.

Senator Jacobsen asked if they had any indication as to whether or not racing will continue to move in an upward trend or whether it will decline.

Ms. Brandsness replied that the tracks are doing very well and that it takes a certain amount of time to make people aware and knowledgeable of this sport.

Senator McCorkle asked what their nightly attendance is.

Mr. Goble replied that they have an average of 1,340 people per event, and they are running eight events per night at the Henderson Dog Track. He added that the per capita betting average is \$95 per night but, that they have a nightly betting average of \$58 per night. He said that the industry has some maturing to undergo before they can generate that kind of income.

Ms. Brandsness said that they have received very favorable responses about the Henderson Dog Track and that the local Las Vegans have found that it is something for them to do.

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DEPARTMENT OF ENERGY

This budget was presented by Noel Clark, Director of the Nevada State Department of Energy, Kelly L. Jackson, Assistant Director, Duane R. Sudweeks, Administrator of the Colorado River Resources, and James Long, Colorado River Resources.

Mr. Clark began the presentation by making a brief statement to the committee; he then turned the presentation over to Kelly Jackson.

Mr. Jackson told the committee that the Director's Office will be focusing in the future upon energy alternatives and making energy forecasts. He also told the committee that they are expecting a reduction in federal funding for energy programs; therefore, they will be devoting a great deal of their time to developing emergency energy conservation programs, specific activities relating to the MX program and other special projects that are coming along and developing future energy conservation and alternative plans that would serve as a legislative guide for the State of Nevada.

He said that the budget they have developed is approximately \$330,000 for each year of the biennium, with a 50% split between State and Federal sources. He said that the total State fund request for the next biennium will be approximately \$500,000 which is about a 6% reduction in the amount of total State funding.

He said that they are not requesting any additional positions; that they are authorized to have ten positions, but that there are only eight positions that are filled currently, and there is no need for any additional positions.

Senator Gibson asked that Mr. Jackson explain the Out-of-State Travel budget.

Mr. Clark replied that their activities have increased considerably. They are currently involved in outside activities with the Electric Sun, the regional solar organization, and some additional travel due to the demands of the Western Interstate Energy Board. He said that prior to two years ago, the Board provided the transportation money for the directors of that board, but, due to the economy being in the state it is and with increased costs in travel, the board has seen fit not to defray travel costs. There is also increased activity with Colorado River Resources. He also said that if the federal cut-backs being proposed create federal funding problems for the Department of Energy, there may be increased travel to Washington in order to rectify the problems.

Mr. Jackson said that out-of-state travel will increase 5-7% overall.

Senator Wilson asked them to comment on sub-accounts 10 and 12 for the Solar Workshop.

Mr. Jackson replied that those two sub-accounts have been transferred to budget #4537. He added that the reason there has been such an increase in their request for Contractual Services is two-fold; they are requesting that the Legislature terminate the Nevada State Energy Resources Advisory Board and rather than having a standing Energy Resources Advisory Board, they are proposing to convene ad hoc panels of experts whenever the Department of Energy ran into a situation where they needed expert advice or assistance. He said that historically the State has supported the Energy and Man's Environment, which is giving energy education into the school system, and they are choosing not to fund that program, which will result in a \$5,000 savings and another \$5,000 savings in procurement of expert assistance.

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He said that the second area where there is a significant increase is in rental for their Las Vegas office. He said that this was due to their increased space requirements and a rental increase on the square footage price from .52 per square foot to .82 per square foot.

He added that, due to the State Fuel allocation expense, the amount of telephone communication has been very intensive; that is no longer necessary.

Senator Glaser asked for an update on the State fuel acquisition appropriation and if the ending balance would revert to the General Fund.

Mr. Jackson said that there has been \$26,000 of the money expended and there are no present plans to expend any more of the money appropriated; therefore, the balance would revert.

Senator McCorkle asked if the proposal to disband the Nevada Resources Advisory Board has been drafted into bill form.

Mr. Jackson replied that it is; that the bill will be introduced by the Assembly Ways and Means Committee.

Senator McCorkle asked whose idea it was to disband this board.

Mr. Clark claimed responsibility for this. He told the committee that, even though the demands upon the Nevada Resources Advisory Board might warrant its continuation, the Department of Energy found that it was not as effective as it might be; therefore, they have proposed to meet the demand presented to the Board by utilizing ad hoc committees of experts.

Senator McCorkle asked what type of reduction the elimination of the Board would create in the budget.

Mr. Clark replied that it would result in roughly a \$10,000 savings. The budget for the Board has been approximately \$12,000 to \$15,000 and will be reduced to \$5,000 because of the utilization of ad hoc committees.

Mr. Jackson added that if they were to really have a complete staff of experts enabling them to deal with all the areas of expertise covered by the Board, the number of experts necessary would be 25 to 30 people. He said that they believe this new method will be cost-effective and more efficient.

DIVISION OF RESOURCE AND DEVELOPMENT

Mr. Jackson gave the presentation of this budget. He explained to the committee that they are more a resource-gathering and disseminating organization than a testing organization. He said that their main function is to promote and prompt the development of resources and their utilization in stimulating alternative forms of energy. He told the committee about the Division of Resources and Development's current projects, including solar energy, wind energy, geothermal energy, small scale hydroelectric power and study is currently being conducted on Nevada's oil shale resources.

Senator McCorkle observed that he is concerned that the DRD should be aware of the ramifications involved in stimulating new interest in new energy concepts; that they should make a strong effort to withdraw their support before the program becomes less cost-effective for the State.

Mr. Jackson replied that there are many areas where advise and assistance can be given.

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Senator McCorkle said that he believes that the function of the Division should be to stimulate such interest, that private developers would undertake to construct demonstration projects, and then they could be the main source of information for those individuals wishing to learn and possibly construct their own similar projects.

Mr. Jackson replied that there may not be the private sector construction companies that would be willing to take over the inquiries and obviate the necessity of the Division remaining in the field of information dissemination.

Mr. Clark added that their department receives many inquiries from out of state and in state in regard to all facets of the energy field, and they must be responsive to this need, as well. He said that in many cases, they are used as a referral agency.

Senator Gibson asked how secure is the federal funding level for these energy programs.

Mr. Jackson replied that for the next year, the federal funding is reasonably secure, although there will be come cutbacks. The only area of concern in the first year of the biennium is in small scale hydroelectric power programs. He stated that the Reagan administration has not funded any of these projects for 1982, and it is currently being questioned whether or not they are proposing to withhold funds for the current year. He added that the approval of State funds for this project would enable them to pick up the federal funds available to the Division in regard to geothermal and small scale hydroelectric programs.

Senator Gibson asked for an explanation of the Out-of-State travel expense budget.

Mr. Jackson replied that, as a consequence of not filling the administrative position for this budget in 1980-81, there has not been a great deal of travel in the budget. They are now proposing to fill this position and there will be many seminars that the administrator, in order to remain competently informed and in order to properly disseminate new information, will have to attend.

Senator Gibson then asked Mr. Jackson to explain the Contract Services category.

Mr. Jackson replied that they have received funds from an organization called Western Sun in order to promote solar activities in the State. They would like to employ two contract employees who would work specifically on solar projects, which would be partially funded by Western Sun. Their tenure with the State would be specifically linked with those funds.

Senator Gibson asked if Mr. Jackson could pinpoint any concrete achievements of the Resource and Development Division.

Mr. Jackson replied that the division has compiled an analysis of the geothermal resources available on a countywide basis and the possibilities of space heating programs and solar projects. He said that one of their main contributions has been supplying builders and developers with vital information regarding all forms of energy resources.

Mr. Clark interjected a comment that he feels that the accomplishments of the Division are impossible to measure, but he stated that he believes people are becoming more aware of the fact that there are energy alternatives available, that there is a necessity for renewable resources, and that there is a critical energy problem, especially for the State of Nevada.

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Senator Jacobsen said that he is aware that the Department of Energy is receiving State funds to upgrade State buildings and use them as demonstration models.

Senator McCorkle asked what kind of competition they have been encountering from private engineering firms and developers who would be able to supply this service themselves.

Mr. Jackson replied that he is not aware of any private firms that provide this service currently in the Nevada area.

WESTERN INTERSTATE ENERGY BOARD

Mr. Jackson explained that this is an energy gathering and disseminating program.

Senator Lamb asked if there was duplication of services between this organization and the Division of Resources and Development.

Mr. Clark replied that there is not a duplication of services.

Senator Wilson asked if the Board formulates and advocates Federal energy policies.

Mr. Clark replied that they only create policies on a State level.

Senator Wilson asked if, to Mr. Clark's knowledge, the nation has a national energy policy.

Mr. Clark said that there is nothing formulated at the present that would constitute a national energy policy. He told the committee that they have been trying to put together a State energy policy for the last three years.

DIVISION OF CONSERVATION AND PLANNING

Mr. Jackson made the presentation of this budget. He gave a brief resume' of the Division's responsibilities. He said that one of the chief responsibilities of this office is to insure that State buildings are energy efficient. He added that they also confer with the State about purchases in the area of transportation and sources of energy. As part of their duties, they are asked to monitor State buildings and safety codes for their energy efficiency.

Senator Lamb asked when the Division of Conservation and Planning proposes to have the Energy Conservation Plan and Extension Service Plan and the Residential Plan put together.

Mr. Jackson replied that they are all currently in process. He went on to give an update on the status of the plans.

Mr. Jackson told the committee that in 1979 the Division had requested authority to participate in a program called the Schools and Hospital's Grant Program; through this program, the Federal Government will cost-share that program on a 50/50 basis for the cost of performing energy audits on schools and hospitals and retrofitting those institutions to make them more energy efficient. He said that this program sets criteria for the agencies to follow in order that they might be able to qualify for Federal matching funds. He said that the institution of this program will enable schools and hospitals in the State to qualify for \$1 to 1.5 million dollars in federal aid for energy audits and to begin to retrofit these institutions.

Senator McCorkle asked if there have been any energy audits performed on any State buildings up to the present.

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Mr. Jackson replied that there have been 11 energy audits of State buildings up to the present for a cost of \$90,000. He added that they have utilized other funds available through other federal grant programs to do energy audits of additional State buildings. He indicated that there are no State funds available for energy audits on schools and hospitals unless the State does forfeit initial matching funds.

Senator Glaser remarked that he feels that they are top-heavy administratively.

Mr. Jackson denied this and said that there is really only one chief position and the other positions are on-line positions.

Senator Gibson remarked that he feels that the survey program for small businesses that the Division instituted was a very successful one, and he cited one example of what had been done.

ENERGY TAX ALLOWANCE

Mr. Jackson told the committee that they are proposing that the energy tax allowance program be expanded to include other sources of energy modification. He said that Senate Bill 197, if passed, would enable the program to begin, but it would not create the needed increase in the tax allowance if the tax package as proposed by the Governor goes through.

Senator Gibson replied that if the proposed tax packaged is passed, there would be a need to increase the tax allowance by three or four times to make the modification program for energy sources a viable alternative.

Mr. Jackson noted that unless this program is handled properly, people will actually be penalized for making these improvements to their dwellings by being assessed an improvement on their property.

Mr. Jackson told the committee that they are recommending Assembly Bill 170, a program to retrofit State facilities to make them more energy-efficient. He directed the committee's attention to page 5 of Exhibit B. (Please see Exhibit B)

Senator Lamb asked if the program would be in the black by 1983. Mr. Jackson replied that he believes they will be. Mr. Barrett said that he has no reason to believe otherwise.

COLORADO RIVER RESOURCES

This budget was presented by Mr. Duanw Sudweeks, Administrator of the Division of the Colorado River Resources, and Mr. James Long, Financial Advisor for the Division of the Colorado River Resources.

Mr. Sudweeks proceeded to give the committee a complete rundown of the Division's responsibilities and enumerated the programs they are currently involved in. He said that they are currently involved in the second-stage construction of the Southern Nevada Water Project, renegotiation of the hydroelectric contract with Hoover Dam for water supplies during the 1980's, the purchase of the El Dorado Valley and the North Mojave Valley from the Federal government, and they are presently involved and participating in three lawsuits affecting Nevada's interests along the Colorado River. One such lawsuit involves Indian claims, another involves salinity control standards along the Colorado River and a third involves a basic life environmental impact study for the whole Colorado River Basin.

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Senator Lamb asked what the rationale was behind the additional positions being requested by this Division.

Mr. Long replied that the position being requested is for a Power Marketing Engineer. He explained that the addition of this position was authorized in 1979 by the Legislature, but that they will be losing this employee because he is already past retirement age and only was hired on a two to three year term basis. He added that finding expertise in this area is most difficult, and they are trying to fill this position with someone much younger who will be interested in establishing his position with the Division and remaining there. He said that they are hoping that whoever they appoint to the position of Power Marketing Engineer will assume the position of Chief of Power Marketing when that position becomes vacant.

Senator Lamb asked Mr. Long to explain the salary transfer being requested on page 856.

Mr. Long said that the \$43,456 salary transfer is allocated for those persons involved in the Hoover Power contract renegotiation. He said that that portion of salaries that is expended in this effort is allocated to a salary in Category 10 and this is where it is recorded.

Senator Gibson asked how effectively the Division is handling the expenses being incurred in the Hoover Power Renegotiations.

Mr. Long replied that their in-house expenses as per the agency request are projected to be \$126,600. The Governor is recommending an expenditure of \$131,010; they are requesting that the money be totally appropriated from the General Fund. The Governor has denied that request and asked that the appropriation from the General Fund supply only half that amount, with the other one-half share to be derived from their contracts with the power contractors.

Mr. Sudweeks told the committee that they are requesting legislation be introduced for an appropriation for \$500,000 for the Hoover Power Project.

Senator Lamb asked where the bill is presently. Mr. Sudweeks replied that Senator Gibson has it.

Senator Glaser asked if when the Hoover Power Renegotiations were completed if there was any reason why this budget could not be self-supporting from its power and water sales.

Mr. Sudweeks replied that historically they have been entirely self-supporting. He told the committee that it was not until 1979 that monies were appropriated from the General Fund, and they were specifically appropriated for this purpose.

Senator Wilson asked for an updated on the negotiations for the Hoover Power Renegotiations. Mr. Clark responded that they have filed a brief with the Western Area Power Administration.

Senator Wilson asked Mr. Clark to give an explanation of the basis for the claim. Mr. Clark responded that they are proposing that Nevada is entitled to one-third of all the proceeds from the sale of Hoover power.

Senator Gibson noted that there have been positive returns on the negotiation efforts so far.

SIERRA POWER AND WATER FUND.

Mr. Long explained briefly how this fund is set up.

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ALLFRED MERITT SMITH WATER TREATMENT FACILITY, page 859, and the
COLORADO RIVER RESOURCES PUMPING AND WATER TREATMENT FACILITY, page 860

Mr. Long explained that this account records the activity of the Southern Nevada Water System, and it enables them to run expenditures through the State Controller's office.

RESEARCH AND DEVELOPMENT FUND

Established to defray engineering costs to protect Nevada's interest in its water and power rights. It is funded entirely from the small administrative charge that is included in the sale of power to the power contractors.

PORT MOJAVE

Mr. Long gave a brief explanation of this account.

Senator Lamb asked how much money had been expended so far for the purchase of this land.

Mr. Long replied that, to-date, they have spent approximately \$1.5 million for the land and have purchased some 6,000 acres of the 15,000 acre area. He told the committee that the price of an acre averages between \$22 and \$1,200 per acre, depending upon where the land is located and what it constitutes, but he said on the average, they have purchased the land for \$200 to \$300 per acre.

Senator Lamb asked where the money for the 6,000 acre purchase had been derived. Mr. Sudweeks told him that they had elected to sell the property in advance of where the Mojave Steam Plan is located today.

BUDGET APPROVAL .

OFFICE OF THE GOVERNOR

SENATOR JACOBSEN MOVED THAT THE BUDGET BE APPROVED AS RECOMMENDED.

SENATOR MCCORKLE SECONDED THE MOTION.

THE MOTION WAS CARRIED UNANIMOUSLY.

Mr. Frank Carmen, Director of the Youth Services Division, John Aberasturi, Superintendent of the Northern Nevada Childrens Home, and Michael Katz, Deputy Director of the Youth Services Division, were called before the committee to discuss alternative placement programs.

Senator Gibson told Mr. Carmen that the budget as requested had been approved by the committee, and that they had not considered closing down any of the cottages at the Northern Nevada Childrens Home.

Mr. Carmen said that the Youth Services Division has prepared a cost breakdown of Ware Care for fiscal years 1980 and 1981, and he proceeded to explain this cost breakdown. (Please see Exhibit C.) He told the committee that the cost breakdown is for basically the community-based treatment facilities which would presently be under contract with the Youth Services Division and reflects the varying costs of placing youngsters in those homes. The degree to which the costs vary is based primarily upon the type of care and facility being offered to these youngsters. He indicated that the Northern Nevada Childrens Home is well below the national average in costs in providing these services, and are, as yet, most cost-effective in dealing with this problem.

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Senator McCorkle asked, from Exhibit C, which of the facilities, A through M, would begin to approximate the service provided by the Northern Nevada Childrens Home presently.

Mr. Carmen replied that it would be the Ahwahnee Hills facility, the Nevada Hills Children's Home and Regina Hall.

Senator McCorkle asked if the Nevada Childrens Home is anything more than a maintenance type facility.

Mr. Aberasturi replied that these Homes do more than just maintenance care; they provide psychological care in many cases because many of the children in these homes are an older population. This psychological care is provided through the Mental Hygiene Department. He stated that in as many cases as possible, they try to keep the child in question in his original home environment, first, in the home of a relative or in permanent foster homes or adoptive placements.

Senator Lamb asked why they choose to keep many of these children within the environment they originated from.

Mr. Aberasturi said that there is extreme care given in selecting which mode to follow, whether to place the child in a Home or keep him in his original environment, and the agency works closely with the particular agency who has been handling the child.

Senator McCorkle noted that the main expense of their program is the offering of help with emotional problems. Mr. Carmen said they employ two fulltime social workers to deal with this problem.

Senator McCorkle asked why the District Court would recommend someone to be placed in the Nevada Childrens Home program; whether it would be because of child neglect, truancy of child abuse.

Mr. Carmen replied that it would be because of child abuse and neglect. He stated that many of these children are not yet delinquent but may become so if allowed to remain in the poor environment they have been living in.

Senator McCorkle stated that the alternatives to Nevada Childrens Home placement would be the alternatives F through M, and if any children are placeable within these facilities, he stated that the Youth Services Division should actively pursue placing these children in these alternative care facilities, especially in light of the fact that this results in a 35% cost-of-care savings to the State. He also suggested that possibly the Legislature should draft a letter of intent to accompany the funds in order to effect this savings.

Mr. Carmen said that he does not believe this would be a good idea; that, in essence, he would be fenced in by this practice and would not be able to develop any new alternatives that may be even more cost-effective. He told the committee that he believes wholeheartedly in community based care facilities.

Senator Wilson asked Mr. Barrett if it would be necessary to reserve institutional jurisdiction over some of the budgets in the Department's request in order to allow them total flexibility in their work program.

Mr. Barrett replied that he did not see a need to do this.

Senator Lamb asked Mr. Carmen for an update on the Home of the Good Shepherd. Mr. Carmen replied that they have developed an improved relationship with the sisters there, and that they have found additional staff in order to enable them to open an additional cottage. He told the committee that the sisters are concerned that the Governor's recommendations may lock them into prescribed enrollment for the next biennium.

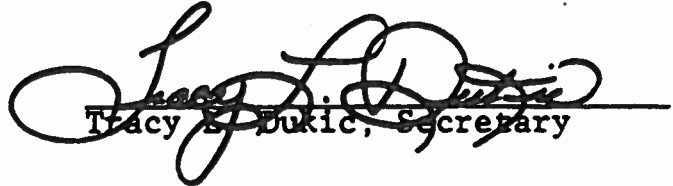
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Senator Lamb asked if it was correct that they presently house 15 girls in the Home of the Good Shepherd.

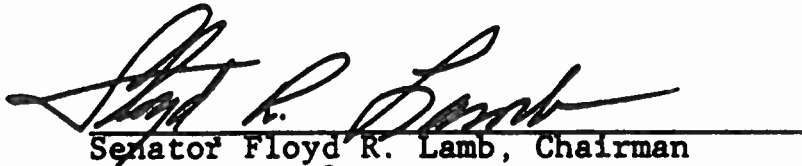
Mr. Carmen replied that they do, but that next year, they will only be able to accommodate 10 girls because of the lack of funding.

There being no further business, the meeting was adjourned at 10:43 a.m.

Respectfully submitted by:


Tracy E. Dukic, Secretary

APPROVED BY:


Senator Floyd R. Lamb, Chairman

DATED: April 1, 1981

SENATE AGENDA

COMMITTEE MEETINGS

Committee on FINANCE, Room 231
Day (See Below), Date (See Below), Time 8:00 a.m.

MONDAY, MARCH 9, 1981

1. S.E. No. 348 - Makes supplemental appropriation to Department of Taxation for payment of rent. (Roy Nickson)
2. S.B. No. 40 - Provides for increase in disability and retirement benefits for retired public employees. (Vernon Bennett)
3. S.B. No. 233 - Creates exemption for elected county officers from certain payroll deductions for retirement contributions. (Vernon Bennett)
4. S.B. No. 337 - Makes supplemental appropriation for cost of utilities for Department of the Military. (William Engel)
5. S.E. No. 305 - Makes appropriation from state General Fund to legislative fund for increased dues to Council of State Governments.
6. S.B. No. 335 - Makes appropriation for certain machines for State Printing Office. (Don Bailey)
7. State Printing Office (Pg. 97 - Don Bailey)
 - a. Records Management Services (Pg. 101 - Don Bailey)
8. Lieutenant Governor (Pg. 33 - Myron Leavitt)

TUESDAY, MARCH 10, 1981

1. Department of Wildlife (Pg. 850 - Joe Greenley)
2. Wildlife Boating Program (Pg. 886 - Joe Greenley)
3. Athletic Commission (Pg. 753 - Ray Tennison)
4. Dairy Commission (Pg. 770 - William X. Smith)
5. Employee Management Relations (Pg. 156 - Ken Fraser)
6. Rural Housing (Pg. 1016 - Ed Markovitch)

WEDNESDAY, MARCH 11, 1981

1. Indian Affairs Commission (Pg. 148 - Elwood Mosey)
2. Public Defender (Pg. 158 - Norman Herring)
3. Gaming Control Board (Pg. 756 - Richard Bunker)
 - a. Gaming Control Board Investigative Fund (Pg. 766 - Richard Bunker)
4. S.E. No. 339 - Makes appropriation for certain testing equipment for State Gaming Control Board. (R. Bunker)
5. S.B. No. 340 - Makes appropriation for system for management of information for State Gaming Control Board. (R. Bunker)
6. S.B. No. 38 - Establishes annual salaries for members of Nevada Gaming Commission.

THURSDAY, MARCH 12, 1981

1. Racing Commission (Pg. 773 - Duane Goble)
2. Department of Energy (Pg. 843-862.....Noel Clark)

FRIDAY, MARCH 13, 1981

1. Central Data Processing (Pg. 116 - Gordon Harding)
2. Computer Facility (Pg. 120 - Art Crosby)
3. Office of Controller (Pg. 50 - Wilson McGowan)

Library Note:

The minutes seem to label two exhibits as Exhibit B. The first document appears to be missing, as there is nothing attached to the meeting dealing with the Racing Commission. The first Exhibit B is also missing from the microfiche.

Research Library
September 2014



ROBERT LIST
GOVERNOR

STATE OF NEVADA
DEPARTMENT OF ENERGY
400 W. KING STREET, ROOM 106
CARSON CITY, NEVADA 89710
(702) 885-5157

NOEL A. CLARK
DIRECTOR

February 24, 1981

To: Finance Committee

From: Noel A. Clark

Subject: Summary State Building Audit Retrofit Program

The 60th Session of the Nevada Legislature appropriated \$250,000 to be used "to economize the use of energy in state facilities." Pursuant to the terms of S.B. 509 the expenditure of the aforesaid appropriation is conditioned upon prior approval of specific projects by the Interim Finance Committee.

The Nevada Department of Energy (NDOE), in conjunction with the State Public Works Board (PWB) and the Department of General Services, determined that a three step approach should be used to identify conservation opportunities:

1. Review energy consumption of all state facilities and develop an energy utilization index for each.
2. Select those buildings which appear to offer the greatest potential for energy savings for full scale energy audits.
3. Conduct full scale energy audits of selected buildings to identify the conservation measures which should be recommended to the Interim Finance Committee.

Based upon the results of Step 1 the following structures have been selected for detailed analysis:

Phase I

1. Governor's Mansion
606 Mountain Street
Carson City, NV 89701
2. Department of Motor Vehicles
555 Wright Way
Carson City, NV 89710
3. Department of Motor Vehicle
305 Galletti Way
Reno, NV 89502
4. Department of General Services
Printing Division
301 South Stewart Street
Carson City, NV 89710
5. Department of Human Resources
620 Belrose Street
Las Vegas, NV 89107
6. Department of Motor Vehicles
Highway Patrol Division
215 E. Bonanza Road
Las Vegas, NV 89101
7. Las Vegas Mental Health Center
6161 West Charleston Boulevard
Las Vegas, NV 89102

Phase II

8. Department of Prisons
Northern Nevada Correctional Center
Medium Security
Carson City, NV
9. Department of Human Resources
Nevada Mental Health Institute
Galletti Way
Reno, NV 89502
10. Department of Human Resources
Youth Services Division
Nevada Youth Training Center
Elko, NV

The energy audit of the Governor's Mansion was performed by the NDOE. Contracts to perform audits of buildings 2 through 10 were executed with three engineering firms. Those audits have been completed.

As a result of the engineering analyses that were performed of the Governor's Mansion and the other state facilities the NDOE recommended and the Interim Finance Committee authorized the following expenditures:

1. Governor's Mansion
606 North Mountain Street
Carson City, NV 89701

	1st yr. Savings	Cost	Simple pay-back
a. Insulate all hot water pipes in crawl space	\$ 2,620	\$ 4,000	1.5 yrs.
b. Install electric water heater for use in summer only (110°F)	475	1,300	2.7 yrs.
c. Increase attic insulation to min R-30	1,394	2,400	1.7 yrs.
d. Install R-19 insulation and operable vents on foundation walls	452	2,100	4.7 yrs.
e. Install individual thermostat controls for each room	1,300	3,100	2.4 yrs.
f. Contingency fee		675	
g. Inspection fee		725	
Sub-Totals	\$ 6,241	\$14,300	2.3 yrs.

2. Department of Motor Vehicles
555 Wright Way
Carson City, NV

a. Install equipment to shut off heating, ventilation and air conditioning (HVAC) systems when building is unoccupied	\$21,150	\$14,300	.7 yrs.
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	1st yr. Savings	Cost	Simple pay-back
b. Repair and maintenance of existing HVAC systems	\$ 5,300	\$ 5,500	1.1 yrs.
c. Install new controls to reheat system	2,700	7,500	1.2 yrs.
d. Install individual light switches and replace existing fixtures with high efficiency units	7,150	8,500	1.2 yrs.
e. Design, Inspection, Advertising, and Contingencies		6,400	
Sub-totals	\$36,300	\$36,400	1.0 yrs.
3. Department of Motor Vehicles 305 Galletti Way Reno, NV			
a. Install new low leakage air dampers to reduce outside air requirements	4,600	4,125	.9 yr.
b. Retrofit radio dispatch room on a separate zone	700	3,460	5.0 yrs.
c. Install equipment to more closely match indoor and outdoor temperatures	1,650	5,470	3.3 yrs.
d. Separate HVAC system for garage from other parts of the building	1,000	2,125	2.1 yrs.
e. Install an energy management systems	12,400	18,820	1.5 yrs.
f. Design, inspection, advertising and contingencies		7,100	
Sub-Totals	\$20,350	\$41,100	2.0 yrs.

4. Department of General Services
 Printing Division
 301 South Stewart Street
 Carson City, NV

	1st yr. Savings	Cost	Simple pay-back
a. Install controls to shut off HVAC when building is unoccupied	\$18,900	\$10,000	.5 yr.
b. Install controls to more closely match HVAC system output with heating and cooling requirements	7,100	5,500	.8 yr.
c. Enclose loading dock	2,000	11,500	5.7 yrs.
d. - Design, inspection advertising and contingencies		5,900	
Sub-Total	\$28,000	\$32,900	1.2 yrs.
Total	\$90,891	\$124,700	1.4 yrs.

In addition the NDOE has identified a variety of conservation opportunities in the other state facilities that were audited. The annual energy savings that would result from completing those measures total nearly \$500,000. The estimated cost to implement those measures is estimated at \$1,725,000, which gives a simple pay-back of 3.45 years. Once the best alternatives have been identified the NDOE will make recommendations regarding the use of the remaining \$140,000. It is obvious, however, that additional funding is needed to implement the measures that cannot be implemented with the funds that are available. Furthermore, the additional appropriation may be used to improve the energy efficiency of buildings that have not as yet been audited.

COST OF WARD CARE (FY '80-'81)

I. Community Based Treatment Facilities (Contracts):

A. Ahwahnee Hills (California)	\$1,086. per month
B. Nevada Hills Children's Home (Reno)	1,086.
C. Regina Hall (Clark County)	649.
D. Sunrise Youth Ranch (Clark County)	649.
E. Regina Hall (Washoe County)	600.
F. Spring Mountain Halfway House (Clark County)	555.
G. OIKOS (Reno)	550.
H. Vegas House (Clark County)	525.
I. Grace Group Home (Carson City)	435.
J. Garcia Group Home (Carson City)	435.
K. Gemini Group Home (Reno)	420.
L. Vitality House (Elko)	400.
M. Haaland Group Home (Clark County)	351.

Location of Placement Facilities:

Clark County	- 7
Washoe County	- 4
Elko County	- 1
Carson City	- 2
Out-of-State	- 1

II. State Operated Facilities:

	<u>Budget</u> <u>80-81</u>	<u>Monthly</u> <u>Cost</u>	<u>Aug. Daily</u> <u>Population</u>	<u>Cost Per Child</u> <u>Per Month</u>
NNCH	\$ 614,134. ÷ 12 =	\$ 51,178.	÷ 70	= \$ 731.
SNCH	605,573. ÷ 12 =	50,464.	+ 70	= 721.
NYTC	2,305,125. ÷ 12 =	192,094.	+ 175	= 1,098.
NGTC	1,288,857. ÷ 12 =	107,405.	+ 80	= 1,343.

III. Non-Contractual; Budgeted Placements

A. Home of the Good Shepherd	\$ 600./month
B. Spring Mountain Youth Camp	350./month

Average of all community resources = \$579. per month per child.