

**MINUTES OF THE MEETING  
OF THE  
ASSEMBLY COMMITTEE ON WAYS AND MEANS  
AND THE  
SENATE COMMITTEE ON FINANCE  
JOINT SUBCOMMITTEE ON PUBLIC SAFETY/NATURAL  
RESOURCES/TRANSPORTATION**

**Seventy-Third Session  
March 16, 2005**

The Assembly Committee on Ways and Means and the Senate Committee on Finance, Joint Subcommittee on Public Safety/Natural Resources/Transportation was called to order at 8:06 a.m., on Wednesday, March 16, 2005. Senator Dean A. Rhoads presided in Room 2134 of the Legislative Building, Carson City, Nevada. [Exhibit A](#) is the Agenda. All exhibits are available and on file at the Research Library of the Legislative Counsel Bureau.

**ASSEMBLY COMMITTEE MEMBERS PRESENT:**

Ms. Kathy McClain, Chairwoman  
Mr. Mo Denis  
Mrs. Heidi S. Gansert  
Mr. Joseph M. Hogan  
Mrs. Ellen Koivisto  
Ms. Valerie Weber

**SENATE COMMITTEE MEMBERS PRESENT:**

Senator Dean A. Rhoads, Chairman  
Senator Bob Beers  
Senator Dina Titus

**STAFF MEMBERS PRESENT:**

Mark Stevens, Assembly Fiscal Analyst  
Steve Abba, Principal Deputy Fiscal Analyst (Assembly)  
Bob Guernsey, Principal Deputy Fiscal Analyst (Senate)  
Mike Chapman, Program Analyst  
Susan Cherpeski, Committee Secretary  
Anne Bowen, Committee Secretary

**DIVISION OF FORESTRY**

**FORESTRY (101-4195)—BUDGET PAGE DCNR-144**

Pete Anderson, State Forester Firewarden, Division of Forestry (NDF), addressed the Subcommittee and introduced Debra Crowley, Administrative Services Officer III, NDF, and Robert Ashworth, Deputy State Forester, NDF. He commented that he and his staff were fairly new at the job but were excited about the direction of the Division. He began with a PowerPoint presentation ([Exhibit B](#)).

Mr. Anderson explained that Budget Account (BA) 101-4195 was the NDF's administrative budget and supported state and regional offices, housed the consolidated grant received annually from the U.S. Forest Service, and

supported state and private forestry programs and the National Fire Plan. He indicated that the NDF would receive \$2.6 million during federal FY2005.

Mr. Anderson reviewed the decision units contained within BA 101-4195:

- E-500 requested to change the funding and operating costs of the Central Reporting Unit's 6 positions from grant-funded and General Fund positions to positions funded by increased fire billing rates.
- E-502 requested to change the funding of 1 fire control dispatcher from 50 percent Humboldt-Toiyabe funding and 50 percent General Fund to 100 percent General Fund.
- E-200 added 2 permanent and 2 seasonal dispatcher positions to provide 24 hours a day, 7 days a week all-risk dispatch coverage.
- E-810 recommended a 2-grade pay increase for dispatchers consistent with the rest of the state.
- E-710 requested replacement equipment including software, printers, maintenance tools, SUV, digital antenna, and UPSs.
- E-817 established a cost allocation for maintenance of the Nevada Department of Transportation's 800 MHz radio system.
- E-811 recommended changes to the unclassified service to provide consistency and equity between similar positions.
- E-525 requested funds that had not been included in the CIP for office furnishings and moving costs for the NDF's move to the new Emergency Operations Center. The bids for the construction of the center had been received and were scheduled to be awarded April 1, 2005. The building would take approximately 1 year to build.

Mr. Anderson directed the Subcommittee's attention to a slide in [Exhibit B](#) outlining performance indicators. He said that Mr. Ashworth would address the discrepancy between projected and actual results in performance indicator number 6.

Mr. Ashworth informed the Subcommittee that as Mr. Anderson presented the budgets there would be three budget accounts that had a similarly low performance indicator in the training area. He said the NDF was confident in the numbers for the first time, and he said the performance indicator would give them an opportunity to assess some of the challenges. The NDF was examining how the mandatory trainings were funded and how those trainings were conducted throughout the state. The NDF was spread pretty evenly across the state, but there were areas that were being missed, such as Tonopah and Pioche. He pointed out that the 70 percent in training performance was the highest of the aforementioned three budget accounts. The number was 65 percent in BA 101-4198 and 62 percent in BA 101-4227. Mr. Ashworth commented that other factors that influenced training were the technical aspects and the complexity of some of the training, particularly training in confined space rescue.

Senator Rhoads asked Mr. Ashworth to repeat which budget accounts had the low training performance indicator, and Mr. Ashworth said those budget accounts were 101-4195, 101-4198, and 101-4227.

Assemblyman Denis noted that on performance indicator number 6 the projection had been 100 percent but the actual was only 70 percent. He asked what the Division would do differently to improve that percentage.

Mr. Ashworth said there were some challenges that needed to be met in order to increase that percentage, particularly as related to geographical and budgetary issues. It was much easier to provide training in the Las Vegas, Carson/Reno, and Elko areas than it was in areas like Tonopah and Pioche. Additionally, some of the training was very technical and involved, which increased the difficulty of providing the training.

Senator Titus asked if the NDF had been involved with the problems with the fire training center near Carlin. Mr. Anderson remarked that the Fire Science Academy had “turned the corner” and was doing well.

Senator Titus asked if the center was still losing money. Mr. Anderson said he was not sure, but he did know that the number of classes and the number of students had greatly increased over the past few years. He said that the volunteer fire departments in the northeastern part of the state utilized the facility, and he hoped to add a wildland fire training component because the training currently focused on chemical fires. He indicated that the NDF had been working with the University of Nevada, Reno (UNR), to expand the program.

#### **DIVISION OF FORESTRY**

##### **FOREST FIRE SUPPRESSION (101-4196)—BUDGET PAGE DCNR-159**

Mr. Anderson continued the PowerPoint presentation ([Exhibit B](#)) and said that BA 101-4196 was the emergency response account and contained only one decision unit, E-500. It was the corresponding decision unit to change the funding of 6 positions from the Central Reporting Unit into a “pay as you go” approach. He noted that the performance indicators on page 8 of [Exhibit B](#) showed that the NDF had not met projected targets in BA 101-4196.

#### **DIVISION OF FORESTRY**

##### **FORESTRY CONSERVATION CAMPS (101-4198)—BUDGET PAGE DCNR-164**

Mr. Anderson explained that BA 101-4198 was the operational account for the conservation camp program. He said that the previous year the Division trained 4,900 inmates and fielded approximately 1,000 inmates on a daily basis with twelve-person crews and one crew supervisor. The partnership between NDF and the Nevada Department of Corrections was working well and they were working together on strategic planning for the future with facility locations and program changes.

Mr. Anderson said that the biggest initiative in the camp program was the reorganization of the program itself. Since initiating a pilot project in June 2004, significant benefits had resulted from that reorganization. He pointed out that the biggest challenges in the camp program were time and distance due to the remote locations of the conservation camps. He directed attention to page 10 of [Exhibit B](#) which showed how the three region approach was being changed to a four section zone approach. In the past, the three regions had

three separate ways of conducting business; however, forming four sections and bringing them under the control of a central state office lead had helped to overcome reporting and timing hurdles.

Mr. Anderson indicated that the new camp organization was shown on page 11. There were four zone coordinators, and each would have responsibility for a specific zone of the state. He pointed out that the reorganization helped with the amount of increasing workload and improved revenue. He stated that the reorganization was the best way to deliver the program and meet responsibilities.

Mr. Anderson outlined the following decision units:

- E-350 requested a minimum amount to establish mandatory training for camp staff, with a \$40,000 target each year. The training would include life safety issues, project management, fire management, and technical project skills.
- E-250 covered the costs of 4 microwave channels and the addition of 1 rack space to improve radio communications in areas that were very hard to reach because of the geography and distance between facilities.
- E-710 requested various tools, service monitors, and vehicles, both in Agency Request and Items for Special Consideration.

Mr. Anderson pointed out that there was one CIP request for the Indian Springs Conservation Camp, and it involved the upgrade of the fire alarm system, exit signage, lighting, and pavement reseal.

Mr. Anderson added that training was once again the “weak link” in the budget account as shown by the performance indicators. He opined that beside the training, the NDF was doing very well in BA 101-4198 and had exceeded revenue by \$400,000.

#### **DIVISION OF FORESTRY**

#### **CNR FORESTRY INTER-GOVERNMENTAL AGREEMENTS (101-4227) – BUDGET PAGE DCNR-171**

Mr. Anderson indicated that there was one CIP request in BA 101-4227. The CIP addressed capital improvements, such as life safety needs, signing, access, and a backflow valve for the water system; as well as a feasibility study for the Kyle Canyon Fire Station on Mount Charleston. He pointed out that the training performance indicator was low. He noted that the completion of 30-foot wildland urban interface clearance inspections was influenced by the seasonal employees and, during busy fire seasons, they sacrificed inspections for fire suppression.

Senator Titus said she had proposed legislation that would provide for an interim study that would examine issues related to Mount Charleston. She said that Mount Charleston was an important southern resource, but there were problems due to overuse. She asked if NDF would participate in the study and asked for comment on the needs of Mount Charleston.

Mr. Anderson explained that the Kyle Canyon/Mount Charleston subdivisions were within the fire district, which meant that NDF provided 24/7 emergency service response, but the balance of the canyon was owned and managed by

the U.S. Forest Service. He informed the Subcommittee that there had recently been a summit meeting at Mount Charleston and U.S. Senators Reid and Ensign were in attendance. Mr. Anderson said he had attended as well and that the overuse problems were discussed and a "laundry list of to-dos" had been generated at the summit.

Mr. Anderson noted that there might be funding available through the Southern Nevada Public Land Management Act. He added that the residents in the area were very supportive and realized that, with the growth of the Las Vegas valley, the recreational opportunities on the mountain would continue to attract people to the area.

Senator Titus conceded that much of Mount Charleston was federal land, but she thought the state should be involved in those discussions and any proposed programs.

Senator Titus questioned the predictions for the upcoming fire season. Mr. Anderson explained that the northern tier of the country from Seattle across the northern Rockies was extremely dry—Seattle was having its driest year on record, and the governor of Washington had recently declared a drought emergency. The preliminary forecasts indicated that there would be a lot of fire activity in the northern Rockies and across that northern tier. He noted that Nevada, however, had received significant precipitation; Las Vegas had had record-breaking amounts of precipitation. That precipitation would promote the growth of grass fuels which, depending on weather conditions in spring and summer, could be good or bad. If spring and summer were fairly wet, there would not be much of a fire season; however, if they were dry, that grass fuel would increase the potential for fires due to lightning strikes.

Senator Titus asked if the state was ready for a bad fire season. Mr. Anderson remarked that "we [could] never be ready enough, but we do our best." He said that the Bureau of Land Management (BLM), the U.S. Forest Service, the NDF, and local county governments worked together. With the grounding of the heavy air tankers, the NDF's two helicopters became very important. He said that air resources were critical and trying to maintain those resources, particularly with the deployments of the National Guard to Afghanistan, was difficult, particularly as there were not as many pilots, and the large type 1 ships had gone overseas. Mr. Anderson assured the Subcommittee he was very focused on the resources available.

Senator Titus asked if the NDF had been affected by cuts in federal programs. Mr. Anderson indicated that there had been cuts in the state and private forestry programs, such as the stewardship program with private landowners. He said he was traveling to Washington, D.C., to assess the funding situation.

Senator Titus remarked that she wished LCB Fiscal staff could make a list of all the programs that had been cut by the federal government and how much had been cut. She said that information would be very useful and illustrative of the tax shifts from the federal government to the states.

Mr. Anderson mentioned Budget Account 101-4235, which was not on the agenda, and explained that it was the nursery seedbank program. He said there was one CIP request for necessary repairs at the Las Vegas Nursery, which was located within Floyd Lamb State Park. He referred to page 18 of [Exhibit B](#) and explained that the nursery profits were a percent of revenue and with several retirements in the previous year, that number had been adversely affected. He

opined that the revenue would “jump right back up” because the NDF was doing more work with the nursery and seedbank programs than had been done in many years. Mr. Anderson said the percent of propagated seedlings culled ranged from 12 to 20 percent on average, and the revenue in the seedbank program with the Waterfall Fire and other activities was quite high.

Senator Rhoads acknowledged that Senator Mark Amodei was in the audience and wished to address the Subcommittee.

Senator Mark Amodei, Capital Senatorial District, thanked Senator Rhoads and the Subcommittee and explained that, due to his service on the Public Lands Committee during the interim and his work on the Tahoe Regional Planning Agency Committee over the past several interims, he had come to request a one-shot appropriation in the amount of \$150,000. The \$150,000 would put the state’s third rotary-wing airframe, also known as a helicopter, into service. He pointed out that aviation assets were of prime importance in any sort of fire management activities.

Senator Amodei commented that the NDF had enjoyed a fairly close relationship with the U.S. Forest Service and the Bureau of Land Management (BLM) for several years in regard to fire management, but many of the federal heavy air tankers had been grounded because of mechanical failures related to lack of maintenance. He referred to Senator Titus’s earlier question regarding the state’s readiness for the upcoming fire season, and he said the State Forester had answered honestly.

Senator Amodei noted that the U.S. Forest Service and the BLM played key roles in what happened with available airframes in the west. Historically, Nevada had relied heavily on those federal agencies, but in 2004 the U.S. Forest Service had terminated contracts for 33 air tankers due to concerns about air worthiness. After records were reviewed for the air tankers, the Forest Service and the BLM returned 8 P-3 Orion aircraft to service last summer, and two additional P2V aircraft were also returned to service, which meant there were 10 heavy aircraft to service the west. He added that the state currently owned and operated two UH1 Huey helicopters, which were not heavy lift. However, the state had sole ownership and control of those helicopters, and the helicopters provided the state with first-strike capability to keep small fires from turning into large fires.

Senator Amodei referred to Senator Titus’s earlier concerns regarding Mount Charleston and said that he had been surprised to learn that Mount Charleston was a “unique island” in southern Nevada in terms of natural resources. There were approximately 40 plant and animal species that were only found at Mount Charleston, in that ecosystem. Those plants and animals were not endangered, but it was an “island in the middle of the Mojave desert,” and represented a phenomenally unique natural resource. He pointed out that if something happened, the state would want the ability to respond in a fire management sense appropriately, in order to guard those assets. The state could continue to rely on the federal government to respond to those problems, but in the context of current federal funding activities, the availability and effectiveness of those resources did not necessarily inspire confidence.

Senator Amodei said the one-shot appropriation of \$150,000 would allow the state to increase its operational airframe fleet by 50 percent, giving the state 3 helicopters, which was still not a large amount for a state the size of Nevada.

Senator Amodei added that the federal government planned to stage 3 helicopters in the state for the coming fire season. He related how he had been in Carson City during the Waterfall Fire in the summer of 2004, which had created an area of "good black" and eliminated the danger of fire on the west side of Carson City because the resource on those hills was a 100-year resource. Senator Amodei advised the Subcommittee to think of Mount Charleston and its ecosystem and the possibility of fire. He pointed out that there had also been several fires that had burned close to developments on the west side of the Truckee Meadows. Nevada was a rapidly growing state, and the issue of protecting urban areas from interdiction by wildland fire would continue to "metastasize" if no steps were taken.

Senator Amodei pointed out that the best fire management was to respond quickly and effectively. He opined that the ability to respond was worth spending the \$150,000 to increase the state's rotary-wing airframe fleet by 50 percent. He conceded that there were issues, as alluded to by the State Forester. The state was competing with the Armed Forces in terms of having mechanics and pilots.

Senator Amodei acknowledged that a helicopter was useless without a pilot, but he submitted that it was an appropriate time to place the third helicopter in service, and then rotate hours among all three helicopters without hiring additional crew. He commented that if the NDF wanted to contract an additional crew to operate the helicopter during the summer that would be a matter to bring before the Interim Finance Committee.

Senator Amodei opined that the \$150,000 one-shot appropriation would be money well spent and would take advantage of an opportunity to assist with the aerial attack capability of the state. He remarked that the state was not famous for throwing money at aerial firefighting assets. The lead plane was a 1978 Piper and other aircraft were military surplus from the 1970s, so the request was not an example of "building an empire." It merely represented an opportunity, using a relatively small amount of money, to avail the state of a resource that was needed to combat fires.

Senator Amodei pointed out that surrounding states would be competing for the federal air assets, and he noted that the fire predictions for Washington, Idaho, Oregon, Montana, and Wyoming were fairly "dire." He said Carson City had been lucky because there had not been any other fires at the time of the Waterfall Fire, so those federal assets had been available. However, if an area in another state was burning or if a national forest were burning, those assets would not necessarily be available for Nevada's use.

Senator Amodei informed the Subcommittee that there was a system called the Mobile Airborne Firefighting System (MAFS), which was the "bell and whistle" airframe currently. The federal government had 8 of the MAFS. Of those 8, 2 had been placed in North Carolina, 2 in Colorado, 2 in Wyoming, and 2 in California. He said that was an indication of priorities at the federal level.

Senator Amodei commented that the federal government would probably station a heavy tanker in Battle Mountain because that was a great staging location for responding to incidences in the Pacific Northwest, areas east of Nevada, and west of Nevada. While it would be staged in Battle Mountain, if a fire broke out in another state before it broke out in Nevada, that tanker would be gone and would not be available to Nevada.

Senator Amodei said the final piece of the puzzle, in addition to the resources already mentioned—Mount Charleston, the Tahoe Basin, the Ruby Mountains—was the entire basin and range area that covered the rest of the state. He said that area was covered with pinon and juniper trees. Due to beetles and other environmental factors, there were thousands of acres of dead and dying pinon and juniper trees. He said that he used to think that “those fires burn out there, and there are tens of thousands of acres, and there are no communities and the cheat grass will come back the next year and that would be great for grazing,” but he had since realized that was not correct. He said that due to attention from the federal level, he had become aware that the environmental consequences of fire in a sage hen habitat context had been dire, and the NDF and Division of Wildlife were concerned about the mule deer population.

Senator Amodei emphasized that fire management was no longer about “rolling a bunch of pumpers and calling in a bunch of planes.” Wildland fire affected the state economically. Industries that relied on hunters or outdoors people for revenue would be affected when those people no longer visited those areas. Wildland fire affected the state in terms of resource management as well. He said the firescape was more susceptible to management in other contexts rather than just suppression.

Senator Amodei offered to return to testify at future meetings in front of the Subcommittee or in front of the Assembly Committee on Ways and Means or the Senate Finance Committee. He reasserted that the cost was relatively small when viewed in terms of the overall budget, but could yield great results and increase the state’s capability to respond to fires and preserve those areas of the state that were important because once those resources were lost, they would not return for a very long time.

Senator Rhoads asked if the bottom line of Senator Amodei’s proposal was that for a one-shot appropriation of \$150,000 the state could get another \$1 million helicopter. Senator Amodei said he did not know what rotary-wing aircraft cost, but the bottom line was that the state already had a helicopter, and for a one-shot appropriation of \$150,000, the helicopter could be put into service, which would increase the fleet from 2 to 3 helicopters.

Senator Rhoads questioned why the request had not been included in The Executive Budget. Senator Amodei indicated that he had spoken with the Governor’s Office with regard to the protocols in terms of the budget process within the Executive Branch, and he was not sure why the request had not been included, but it was an issue he had become aware of, and decided to pursue as a result of the aftermath of the Waterfall Fire. He pointed out that Mr. Anderson could speak to why it was not included in the NDF’s budget, but his understanding was that, in an effort to place priorities for funding in The Executive Budget, many items had not been included and the additional helicopter was one of those items.

Mr. Anderson agreed with Senator Amodei’s assessment of the budget situation and said the NDF had prioritized requests and had constructed the budget accounts according to which items were the most important to keep the agency functioning.

Senator Rhoads commented that bill drafts could no longer be introduced. Mike Chapman, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), clarified that the joint subcommittee, which was comprised of members of both Houses, could make recommendations to their respective money



committees to introduce legislation that would support the type of bill needed for the proposal. Mark Stevens, Assembly Fiscal Analyst, Fiscal Analysis Division, LCB, added that any such bill with a fiscal note would be exempt from a deadline.

Assemblywoman McClain asked how the \$150,000 appropriation would be used and what the operating costs would be on an annual basis. Mr. Anderson explained that the helicopters were excess federal property. The state owned three, two of which were in full service, but the third was in need of equipment replacement. The \$150,000 would be used to repair the helicopter so it could be used, but there would be additional insurance and operating costs. He pointed out that the third helicopter could be added to the rotation and the hours could be spread among three rather than two helicopters. The NDF had two full-time pilots and hired a seasonal pilot. He repeated that there would be insurance costs.

Ms. McClain inquired as to the average cost of operating a helicopter. She asked what the operating costs were for the two helicopters already in use. Mr. Anderson said that insurance was approximately \$60,000 per helicopter, and it was a billable operation so most of the responses were to the federal government on federal land, so those services were billed. The state only paid for responses in the state's jurisdiction, which did create revenue.

Senator Amodei added that the Governor's Office had asked similar questions about operating costs when he had discussed the proposal. He believed that, with the exception of the insurance cost, the additional helicopter would not increase operating costs since the hours would simply be rotated among three helicopters instead of two and a new pilot would not necessarily be needed, except in an emergency response context. He pointed out that with the percentage of federal land in the state, the majority of responses would be billed to the federal government. He emphasized that the proposal was not to "go out and find another crew to operate it full time," the proposal would merely increase the number of airframes the state had to respond to emergencies.

Debra Crowley, Administrative Services Officer III, NDF, informed the Subcommittee that the air operations in the past year had cost approximately \$100,000, and that was the projection for FY2006 and FY2007 for two helicopters. Senator Rhoads asked if those costs included staffing costs. Ms. Crowley said that amount only included insurance and operating costs, such as maintenance.

Mr. Stevens requested that the NDF provide information regarding the additional operational costs that would have to be built into the NDF's budget to maintain that aircraft. He noted that there was major maintenance, depending on the number of hours that an aircraft had flown, and when those bills came due, that could be costly. While those costs might not be incurred in the current fiscal year, they could be incurred in the next fiscal year or the fiscal year after that. He asked that, in addition to the information on the \$150,000 one-shot appropriation, information was needed on the annual operating costs for the current biennium and for future biennia when major maintenance would be needed.

Senator Amodei added that the analysis should take into account that the hours would be shared between three helicopters as opposed to two so it would take more time for each helicopter to reach the number of hours required for major maintenance.

Senator Rhoads noted that the Subcommittee did not usually make recommendations until the budgets were being closed. He asked if the issue had to be addressed immediately. Senator Amodei said he had just wanted the proposal considered, and if there was support, it could be included during budget closings.

Senator Rhoads asked if the Governor's Office had a position on the proposal. Steve Robinson, Advisor on Wildlife, Conservation, and Rural Nevada Issues, Office of the Governor, addressed the Subcommittee and said the third helicopter had been discussed but had not been included in the budget. He said it would be the position of the Governor that it would be the decision of the Legislature whether or not to include that one-shot appropriation for the helicopter. He opined that it was important to know the full costs and to remember that appropriating the money would mean the state was "buying into a long-term marriage with the aircraft."

Assemblywoman Gansert asked what the expected revenues would be with a third helicopter, if the federal government were billed for hours. She asked what was currently billed on the two helicopters in use, and if it would be possible to increase the total hours in order to increase billing. Senator Amodei said those questions should be considered in the analysis that Mr. Stevens had requested as far as operational costs. He added that the billing history for the two existing helicopters should be included as well.

Senator Rhoads thanked Senator Amodei for his testimony and indicated that the Subcommittee would return to its review of the budget accounts.

Ms. McClain referred to BA 101-4195 and noted that there was a request for \$50,000 for repaving at the Western Region facility. She asked if that had been requested in both M-426 and a CIP. Mr. Anderson said maintenance items had been placed into the CIP requests to ensure funding, depending on which request was approved. He assured the Subcommittee that he and his staff would review the budget accounts to make sure there were no duplications.

Senator Rhoads requested information on the two new permanent dispatcher positions in E-200 of BA 101-4195. He noted that there had been complaints regarding the dispatchers' working hours and he asked if that situation had been resolved. Mr. Anderson explained that the center was operating 24 hours a day, 7 days a week, 365 days a year, with only 4 employees. Factoring in annual leave, sick time, and other factors, such as training, 6 employees were needed to staff the center. He said the NDF had reached a settlement over grievances regarding work hours, and the addition of 2 positions would complete the resolution of that situation and eliminate future problems with work hours and overtime.

Ms. McClain asked if the savings in overtime pay costs would pay for the new positions. Mr. Anderson said it would not fully fund two positions, but it would make a difference.

Senator Rhoads questioned the "diminishing buying power" mentioned in E-502 of BA 101-4195. Ms. Crowley explained that the NDF received federal funds that were used to pay half of the dispatchers' salaries. She said the Division would like to use those funds to hire additional seasonal staff, rather than pay the dispatcher costs. The seasonals would be specifically used for the purpose of that program.

Mr. Chapman pointed out that the base budget showed the full grant revenue, E-502 removed the grant revenue for that half-time position and replaced it with monies from the General Fund. However, the budget did not reflect the total amount of Humboldt-Toiyabe funds, so it appeared as though the Humboldt-Toiyabe funds in the amount of \$29,000 did not support anything. The budget did not show additional seasonal funding being received.

Mr. Anderson explained that the NDF had utilized some of the Humboldt-Toiyabe funding to correct the dispatcher inequities, so the intent of the funding was to cover seasonal firefighters so they could respond to federal land fires. That was the focus of the money, but they did not have the resources in the state. The NDF filled the gap, and the \$29,000 would be used to fund firefighters on the ground.

Senator Rhoads said the funds were not in the budget. Ms. Crowley indicated that the LCB Fiscal staff had called that to her attention. She said there should have been an M-150 adjustment added to the budget that would bring up the revenue for that federal funding, which was \$220,000 per year.

Senator Rhoads advised Ms. Crowley to work with LCB Fiscal staff to resolve that issue. He referred to E-525 in BA 101-4195 and noted that there was a request for 40 new file cabinets. He asked why so many filing cabinets were needed. Mr. Anderson explained that the NDF would have much less office space in the Emergency Operations Center (EOC). Senator Rhoads noted that office space would be reduced by 35 percent. He asked if the office space would be adequate to the NDF's need. Mr. Anderson said the space would be adequate with the use of additional file cabinets because that would conserve space.

Senator Rhoads asked again if the reduced office space would be adequate to the needs of the NDF, and Mr. Anderson said that with the file cabinets and the cubicle workstations, the space would be adequate. Senator Rhoads remarked that more agencies should conserve space in that manner.

Senator Rhoads requested additional information regarding the Central Reporting Unit (CRU) mentioned in BA 101-4196. Mr. Anderson said it was a program that was started to improve the billing process from the three regions and centralize the process in the state office.

Mr. Ashworth offered additional explanation and said that the NDF had had an incident tracking system that was specific to one of three regions and the state headquarters. Over those years, each area was responsible for the development of incident reports, financial data sheets, and bills. As the Division had undergone audits, problems in that area had been identified several times. He said the Division had decided to fix the problems by consolidating the process into a single unit within the state headquarters, which would allow for a more rapid reaction to shifting issues within the program.

Mr. Ashworth said that a good example was the situation during the previous summer. Unlike a typical period's billings to federal agencies, the NDF had been inundated with the state's own fire responses, which were approximately \$12 million. Fortunately, the Fire Management Assistance Grant (FMAG) from the Federal Emergency Management Agency (FEMA) was available and would offset that cost by approximately \$8 million.

Mr. Ashworth emphasized that that situation had created a large workload in addition to the normal billing process, which would be completely different as far as responding to federal fires. He emphasized that the NDF was estimating that between the \$8 million from the FMAG and the normal federal billings of approximately \$1.6 million in FY2005, the Division would be current by May 1, 2005. He said that was an unprecedented situation and the centralized unit allowed the flexibility to react to various pressures.

Ms. McClain noted that there were several different salary upgrades included in the budget: one position had been included in the unclassified study and one was a deputy position. The other upgrades were outside of those two bills—there was an account technician, two administrative aides, and a conservation staff specialist. Mr. Anderson responded affirmatively.

Assemblyman Denis noted that Decision Unit E-710 in BA 101-4195 requested 7 medium-duty network color printers and 1 high-resolution color printer. He asked why that equipment had been requested. Mr. Anderson said the printers would be distributed statewide, but he would provide more specific detail at a later time.

Senator Beers commented that E-817 requested funding for support of the 800 MHz radio system. He pointed out that the system was not statewide as much of the mountainous area in the eastern part of the state had not been “built out.” Mr. Anderson conceded that was correct, and said there were geographical challenges and the VH system worked better than the 800 MHz system in some areas, which would change once there were repeaters built on every mountain top.

Senator Beers remarked that the weather was not cooperating with that plan, but he pointed out that the budget contributed to the operation of the 800 MHz system for both years of the biennium. Mr. Anderson said that was correct.

Senator Rhoads indicated that the Subcommittee would review BA 101-4196, Forest Fire Suppression.

Ms. McClain referred to E-350, which would give the NDF the authority to process prior year claims without appearing before the Interim Finance Committee (IFC). She asked for an explanation of the request. Mr. Anderson said it was a procedural issue regarding payment of bills in a timely manner. Historically, the NDF had appeared before the IFC to request approval. E-350 would make the process quicker by eliminating that step.

Ms. McClain requested an explanation of the billing process in BA 101-4196. Ms. Crowley explained that the NDF’s fiscal office received billings from the CRU after the CRU had gathered all the costs, a time-consuming process that usually involved working with other federal agencies. She said the NDF was improving the billing process, but even though the bills were sent in a timely manner, payment was not received before the close of the fiscal year, which meant that when those funds were received the NDF would have to submit a work program for authority to receive the money and pay stale claims. It could be a large sum of money, yet the NDF would have to wait to process the claims until the IFC met, which could add three or four months to the process.

Ms. McClain said that legislative oversight was the point of those work programs, and she opined that allowing the NDF to not have to submit work programs might set a bad precedent that other agencies might want to follow.

Assemblyman Hogan questioned stale claims and asked why, if requests for payment were processed in a timely manner, further authority was needed from the IFC. He commented that an alternative might be to improve the timeliness of the billing process so that more of the claims were formally issued during the expected period and not during the stale period. He asked if improving the timing would make it possible to avoid stale claims.

Mr. Anderson explained that the problem was that fire season started at the end of April and could last through November, so the fire season overlapped two fiscal years, with one year closing and one year beginning July 1. That overlap caused a problem in the timing of the billings. The timing was also affected by the size or the number of fires. In a bad fire season, there could be thousands of items to be processed for multiple resources from multiple agencies, local, state, and federal.

Mr. Anderson noted that there were resources from all of the country during the Waterfall Fire. All the billing had to be processed through the NDF, which was the lead on the Waterfall Fire. That process took a tremendous amount of time and coordination. He emphasized the billing process itself had inherent timing constraints, it varied from year to year, and it was one of the Division's biggest challenges.

Senator Rhoads asked if the billings from the Waterfall Fire had been submitted. Ms. Crowley responded affirmatively and said the costs for the Waterfall Fire had been settled, and those billings were a large portion of the NDF's outstanding billings. She said the NDF was in the process of billing for those monies.

Senator Rhoads referred to the Central Reporting Unit (CRU) and asked what reserve level would be needed to provide sufficient resources for its support. Mr. Anderson commented that with the inherent fluctuations in fire seasons from year to year, his hope was to be able to carry forward a minimum funding level to keep the unit functioning. He said that the past years had been fairly mild fire seasons in central and eastern Nevada, and in those lower years, the NDF still needed the funding for the CRU positions.

Senator Rhoads noted legislation would have to be passed. Mr. Anderson agreed and said legislation was necessary because the funds would be carried forward rather than reverting. Senator Rhoads asked what level was needed for the reserve. Ms. Crowley interjected that the amount was approximately \$400,000. Mr. Anderson added that the amount was a full year of operation.

Mr. Chapman clarified that the ending reserve in 2007, the second year of the biennium, would be approximately \$147,000, but the total cost of the CRU on an annual basis was approximately \$450,000. He pointed out that if a reserve were developed in BA 101-4196, it might be a budgetary action issue that would be included in the Authorizations Act to allow them to carry funding forward from one year to the next.

Assemblywoman Weber asked what the total cost of the Waterfall Fire was. Mr. Ashworth stated that the cost was estimated at \$8 million. He said the NDF had worked hard to process those bills in order to start recovering some of those funds from the action taken on the FMAG through the Federal Emergency Management Agency (FEMA). Those funds were estimated to be about \$6.9 million.

Senator Rhoads closed the hearing on Budget Account 101-4196, and opened the hearing on Budget Account 101-4198.

Senator Rhoads remarked that there were 10 forestry conservation camps, the majority of which were in his district, and were very valuable.

Ms. McClain asked if the reorganization assignments were finalized. Mr. Anderson indicated that the pilot project was in place, but it would not become effective until July 1, 2005, if that reorganization was approved by the Legislature.

Ms. McClain questioned the reorganization's effect on staffing. Mr. Anderson explained that the Division would eliminate 10 assistant camp supervisor positions and create 4 section chiefs. There would also be a training officer and a program officer.

Ms. McClain inquired as to whether the camps would have fewer inmates due to the reorganization. Mr. Anderson said the reorganization would not affect the population. The Department of Corrections controlled the population of each camp. The reorganization was merely a management component for the NDF.

Ms. McClain questioned the size of the crews in each camp and asked if there would be more opportunities for inmates. Mr. Anderson explained that the 12-person crew had been a determination made years earlier, and that was the best size management-wise for one crew supervisor in the field. He noted that there had been exceptions. The Elko County Courthouse had been remodeled several years earlier, and a 6-person crew had been used because the ability to provide oversight for a 12-person crew in that facility was not possible. Crew size fluctuated depending on the project, but a 12-person crew with 1 crew supervisor was typical.

Ms. McClain asked if some of the changes in the Department of Corrections and the opening of Casa Grande would create a shortage of inmates to work on the crews. Mr. Anderson said he was working with the Department of Corrections to ensure that, as changes were made, filling the camps remained a priority.

Ms. McClain remarked that even if the Department of Corrections made sure there were inmates in the camps, there was still a learning curve and the people had to be trained. Mr. Anderson agreed and said there were training classes every week. He pointed out that the movement of inmates through the camp program was high. The previous year 4,900 inmates were trained. Ms. McClain asked if Mr. Anderson thought there would be a larger effect on the program than there had been in previous years. Mr. Anderson said the NDF was working very closely with the Department of Corrections to ensure a smooth transition, and he currently did not foresee any problems.

Assemblyman Hogan requested information on the procurement of vehicles in connection with the camp program. He noted that the NDF had appeared before the IFC in April 2004, and requested funds to purchase a large number of vehicles. He asked for an update on the status of the vehicle acquisition.

Mr. Anderson said the NDF had been very successful in acquiring the 15-passenger vans and ordering the tool trailers. The NDF had used the Ely

conservation camp and industrial shop to construct the tool trailers, which saved money.

Mr. Anderson indicated that there had been some difficulties with acquiring the crew carriers, and he directed the attention of the Subcommittee to [Exhibit C](#), a handout titled, "Timeline of Events for Crew Truck Contract with Silver State International." He said that because of the increase in the cost of steel, the NDF had only been able to purchase 13 vehicles, rather than the needed 15 vehicles, with the amount of money provided. He said in order to fill the gap, the NDF had spoken with the California Department of Forestry and the NDF was in the process of acquiring two of California's excess vehicles, which would be refurbished at the Ely camp.

Mr. Anderson explained that as far as the other 13 vehicles were concerned, in the bidding process, the NDF had made a very pointed request for an immediate turnaround to meet a 120-day schedule, but that had not happened, as shown in [Exhibit C](#). He said that March 16, 2005, was the deadline for Silver State International to comply with the contract or the NDF was going to have to go through the bidding process again. He informed the Subcommittee that it had been a struggle, and the NDF was putting alternatives into place to deal with the lack of 13 crew carriers for the coming fire season.

Mr. Hogan asked if the vehicles were "off the shelf" with only minor additions for carrying equipment and if those modifications were performed in-house. He inquired whether there was an "established procurement capability within the state government" for equipment.

Mr. Anderson explained that the crew carriers were a very unique piece of equipment and the NDF had worked to perfect them over the years. In the early 1990s the NDF had purchased the first box design crew carriers. The crew carriers were exposed to rigorous off-road use driving through creek bottoms and up and down mountains. He said that the crew carriers were quite simple: they held 12 inmates and a crew supervisor and their tools, both fire tools and project tools. A tool trailer could also be pulled by the crew carrier. He added that the cupboards, the boxes, and the racks in the crew carrier had been perfected over the past 15 years for the best functional use possible.

Mr. Anderson said that as far as assistance during the bid process, the NDF had worked with State Purchasing. The NDF had developed the specifications based on what had been done previously.

Senator Rhoads requested comment on the reduction in camp revenues as recommended by the Governor and its effect on the ten camps. Mr. Anderson expressed confusion regarding a reduction and pointed out that the NDF's targets had actually increased in the coming biennium to \$2.5 million.

Mr. Chapman clarified that Decision Unit E-225 reflected a reduction in camp revenues in the amount of approximately \$70,000 per year. He indicated that Senator Rhoads wished to know what had caused that reduction in camp revenues.

Mr. Anderson indicated that he did not have that information and he would speak with LCB Fiscal staff regarding that situation. He repeated that the NDF's targets had increased significantly.

Senator Rhoads closed the hearing on Budget Account 101-4198 and opened the hearing on Budget Account 101-4227.

Senator Rhoads commented that there was not any General Fund money in the account. Mr. Anderson indicated that was correct and said the main item of interest in BA 101-4227 was the CIP request to fund capital improvements and building upgrades at the Kyle Canyon Fire Station.

Senator Rhoads confirmed that the CIP was included in The Executive Budget.

Senator Rhoads asked about the \$286,000 in administrative assessments in BA 101-4227. Ms. Crowley requested clarification of the question.

Mr. Chapman clarified that the administrative assessment was collected from the counties and was included in the budget account. He noted that the \$286,027 in administrative assessments was included in The Executive Budget and funded certain administrative costs in the main NDF budget account, such as the forester's position, certain administrative positions, and some administrative overhead. Ms. Crowley indicated that Mr. Chapman's assessment was correct. Mr. Anderson interjected that the administrative assessments had been collected for several years in order to offset the NDF's costs.

Mr. Hogan noted that administrative costs had increased over the years, and he asked if the NDF had the flexibility to adjust the assessments against counties to account for that increase. Ms. Crowley said that the assessments were determined by the State Controller's Office and when the county budgets were prepared, those costs were included. Mr. Hogan clarified that during the process, the NDF could increase assessments if needed. Ms. Crowley said that increases were built into the counties' proposed budgets.

Senator Rhoads requested that a representative from the Budget Division address the issue of assessments.

Mike Nolan, Budget Analyst IV, Budget Division, Department of Administration, addressed the Subcommittee and explained that the administrative assessment had been implemented many years earlier. Mr. Nolan explained that 2 biennia earlier, there had been an attempt to increase the assessment, but there had been opposition from the National Association of Counties (NACO). The NACO and the counties performed a study based on fire risk, and that had determined the assessments. He said that the NDF did not have the flexibility to increase costs unless the risk increased.

Mr. Nolan added that he wanted to address an earlier question regarding a camp revenue reduction in BA 101-4198. He explained that the \$70,000 reduction was based on the fact that, by eliminating the ten assistant camp supervisors, who took crews into the field, and reorganizing into four zones with four zone supervisors, a training officer, and a program officer, while also cutting four positions, fewer crews would be placed in the field, necessitating an accompanying reduction in revenue.

Senator Rhoads asked if the enrollment projections would be accurate, considering that Casa Grande would be opening and the inmates eligible for Casa Grande would be coming from the honor camps.



Mr. Nolan said it would take time to determine if that would have an effect. He noted that the numbers from the Department of Corrections for the upcoming biennium indicated that the population in the camps was scheduled to be 6 to 8 inmates below the capacity of 150. He said he did not know what criteria the Department of Corrections would use to determine inmate placement, and he hoped it would not greatly impact the honor camps, but that was yet to be determined.

Senator Rhoads wondered which program, the honor camps or Casa Grande, would be cut if the prison population decreased. Mr. Anderson conceded that the population fluctuated, but he assured the Subcommittee that the conservation camp program was a priority with the Department of Corrections as well as with the NDF.

Ms. McClain remarked that the women's prison was overcrowded and asked if there were conservation camps for women. Mr. Anderson said there were camps in Silver Springs and in Jean, and he claimed that the women in those camps were some of the NDF's best firefighters.

Ms. McClain requested clarification of the basis for the original administrative assessment. Mr. Nolan said he had begun working with the NDF budget accounts in 1994, and the administrative assessment had been a fixed amount of \$230,000. He said he had tried to adjust the assessment for several years as costs increased, and four years ago there had been a substantial increase, which caused a "political furor." There had been a follow-up study, which had resulted in the assessments being based on risk. He informed the Subcommittee that he had not been involved in the study.

Ms. McClain asked who had performed the study and how had the assessments been authorized. Mr. Anderson said the assessments had taken into account the risk factor based on topography. He added that a multi-agency committee had been formed to examine the situation, and NACO had been part of the process. Ms. McClain asked if the study had resulted in legislation, and Mr. Anderson said the study had resulted in a new formula for calculating the assessment, but there had not been legislation.

Assemblywoman Gansert recalled that in an earlier meeting, the Department of Corrections had estimated that 109 individuals would be taken from the conservation camps when Casa Grande opened. She commented the NDF should work with the Department of Corrections to ensure that the conservation camps would be filled to capacity on a seasonal basis so the inmates would be available to fight fires.

Senator Beers noted that with the changes in the prisons and the opening of the Casa Grande facility, there would be fewer of the "relatively low-risk, well-behaved population" for the camps, and the camps would be getting a "harder" population. He asked if the NDF had included that factor when planning for the camps.

Mr. Anderson said that the NDF was already experiencing a "harder population" transition, with the extension from 18 months to 36 months to keep the camps full. He conceded that he was aware of the potential problems and was working very closely with the Department of Corrections to prevent those problems.

Senator Beers asked if there was any staff from the Department of Corrections in the camps or if there was only NDF staff. Mr. Anderson explained that the facilities were adjacent, which meant that the inmates ate and slept in the Department of Corrections facility, but worked in the NDF camp. He reiterated that there were not any custody officers with the crews during the day.

Mr. Anderson added that if there was a fire and a crew responded and was on the fire for more than 12 hours, then a custody officer would go with the crew to oversee the security of the inmates on the fire scene so the crew supervisor could sleep.

Senator Beers clarified that during fire season a corrections officer traveled with the crew. Mr. Anderson indicated that was correct and said, once past the initial attack phase, a custody officer would be present. He assured Senator Beers that the NDF was aware of the potential for problems.

Senator Beers asked if there had been any incidents. Mr. Anderson said there had not been any incidents in the field, but there had been some in the camps where destruction occurred, but there had not been any incidents in the field or any incidents that had caused bodily harm to any NDF employee.

Senator Rhoads interjected that he did not recollect any serious incident since the honor camps had started, and he emphasized that the honor camps served the communities well and the firefighters from the camps were well-respected.

Senator Rhoads closed the hearing on Budget Account 101-4227. He called a brief recess at 9:31 a.m.

Senator Rhoads called the meeting back to order at 9:43 a.m. and indicated that the Tahoe Regional Planning Agency would present next.

#### **TAHOE REGIONAL PLANNING AGENCY**

#### **TAHOE REGIONAL PLANNING AGENCY (101-4204)—BUDGET PAGE DCNR-180**

John Singlaub, Executive Director, Tahoe Regional Planning Agency (TRPA), noted that there were two TRPA Governing Board members in the audience, Coe Swobe and Allen Biaggi. Mr. Singlaub introduced members of his staff: Carl Hasty, Jordan Hastings, and Sondra Schmidt.

Mr. Singlaub began a PowerPoint presentation ([Exhibit D](#)) and provided background information on the TRPA. The TRPA was formed in 1969 by California and Nevada in response to the tremendous growth occurring at Lake Tahoe. The compact had been amended in 1980 and some of the responsibilities had changed, but the compact governed the TRPA's current operations. He emphasized that, as a bi-state compact agency, the TRPA was significantly different from other agencies included in The Executive Budget.

Mr. Singlaub said the mission of the TRPA was to "lead the effort to preserve, restore, and enhance the unique natural and human environment of the Lake Tahoe region now and into the future."

Mr. Singlaub indicated he would outline some of the TRPA's programs and directed the Subcommittee's attention to a chart in [Exhibit D](#). The chart identified the basic operating structure of the TRPA. Fundamentally, the Tahoe Regional Planning Compact, approved by both states and the federal

government, was the TRPA's base statute, its "organic law." Using the compact, the TRPA built environmental thresholds or standards for the lake and a whole range of different resource areas. The TRPA developed plans, goals, and policies, and was also the metropolitan planning organization for the Lake Tahoe Basin, which meant the TRPA had transportation and air quality responsibility.

Mr. Singlaub referenced the "208 Plan" on the chart ([Exhibit D](#)) and said the TRPA was responsible for that planning as well. He said the TRPA had recently organized its work into three critical functions: environmental review services, environmental improvement, and planning and evaluation. He explained that environmental review services was the part of the TRPA that reviewed permits, worked with developers, and did master planning for redevelopment and other efforts at Lake Tahoe. Under the reorganization, the environmental review services branch would be completely self-funding so that permit fees would pay for all the private development that occurred at the lake. He opined that it was appropriate for the TRPA to be conscious that not all taxpayers wanted to be paying for what benefited only private individuals.

Mr. Singlaub said the second branch was the environmental improvement branch, which was working to correct the problems of the past. The branch managed the environmental improvement program (EIP) that the state of Nevada and the federal government had very generously funded. The branch also administered forest health efforts, monitored the watercraft on the lake, and administered the best management practices retrofit programs that were critical to achieving lake clarity.

Mr. Singlaub said the planning and evaluation branch was currently working on the Pathway 2007 program with the Nevada Department of Environmental Protection, the U.S. Forest Service, and California. The branch evaluated thresholds to monitor the status of those, and then made adjustments as needed. He said that was the regional planning component of the TRPA's mission.

Mr. Singlaub referred the Subcommittee to a chart in [Exhibit D](#) showing the lake clarity, and he pointed out that the rate of decline of clarity was improving.

Mr. Singlaub explained that the TRPA budget was derived from multiple sources. For the first time in the TRPA's history, the funding from the two compact states accounted for less than half of the total budget, with Nevada contributing one-third and California contributing two-thirds of the bi-state funding. He pointed out that the total contribution from Nevada was 14.8 percent of the TRPA's budget.

Senator Rhoads questioned where the federal money was shown in the budget. Mr. Singlaub explained that the federal funding was shown in grants, and the TRPA had been successful in obtaining additional grants. He noted that [Exhibit D](#) showed that 34.6 percent of the budget came in the form of grants, and the 7.7 percent in overhead also contained federal funding.

Senator Rhoads questioned whether those numbers had changed after former President Bill Clinton visited Lake Tahoe. Mr. Singlaub replied that there had been a number of different grants, and Senator Rhoads noted that many of those grants had existed before President Clinton visited the area. Mr. Singlaub agreed, but said the grants had increased. He pointed out that many agencies had mentioned that grants were getting fewer and farther in between,

particularly those from the Clean Water Act, and the TRPA was concerned about the potential effect on the budget. He emphasized that the grant funding was declining.

Senator Rhoads asked if the new federal budget had altered the commitment that President Clinton had made at Lake Tahoe. Mr. Singlaub explained that the \$300 million committed by the federal government was now contained in the Southern Nevada Public Land Management Act; he commented that there were still arguments over the funding at the federal level, but he expected that the \$37.5 million per year for 8 years, committed by the federal government, would continue.

Senator Rhoads asked how that \$37.5 million was used. Mr. Singlaub said the funds were for EIPs at Lake Tahoe. Approximately 10 percent of the funds went to research and science, and the remainder was used for a range of different projects and went to whichever agencies were implementing those projects. Senator Rhoads asked if the funds were used by both California and Nevada, and Mr. Singlaub indicated that was correct. Senator Rhoads inquired as to how the spending was authorized. Mr. Singlaub explained that authorization was approved by the Secretary of the Interior, as set forth in the Southern Nevada Public Land Management Act.

Mr. Singlaub continued his presentation ([Exhibit D](#)) on TRPA expenditures and said that approximately half went to salaries. A significant portion went to contract services, and a smaller portion went to operating expenses.

Mr. Singlaub outlined the TRPA's current budget and the budget over the biennium. The current adopted budget was approximately \$11 million with Nevada funding approximately \$1.6 million. Nevada's portion would be approximately \$1.8 million in FY2006 and approximately \$2.1 million in FY2007.

Mr. Singlaub responded to Senator Rhoads' question regarding California's commitment and said that California, despite its budget struggles, had provided funding and he was confident that the TRPA would continue to receive the matching two-thirds from California. He pointed out that one of the biggest challenges was timing—the budget process in Nevada was biennial while in California it was annual. He emphasized that the projections of grant funding were decreasing, but he hoped the TRPA would still continue to obtain grant funding.

Senator Rhoads asked if the "other" category on the TRPA budget summary in [Exhibit D](#) was federal funding. Mr. Singlaub explained that the "other" funds were mostly federal and other grants.

Mr. Singlaub said the TRPA was requesting four specific things for FY2006. The first was a salary comparability increase in E-250. He explained that it was not a cost-of-living increase, but when California and Nevada did not agree on salary increases, the TRPA did not receive any salary increases or received a smaller portion, which meant there had not been a salary increase since FY2000. An independent salary comparability analysis had been performed by BeneComp, which had identified 8 percent across-the-board as the needed increase to raise the TRPA to the level of the two states. He explained that the analysis compared salaries for similar jobs at the state level, and then calculated the average, which was then split with Nevada paying one-third and California paying two-thirds.

Senator Beers asked if the study had included private sector salaries as well. Mr. Singlaub indicated that the private sector had not been included due to the state funding and the nature of the TRPA.

Senator Beers noted that Mr. Singlaub had said the TRPA had not had salary increases since FY2000, and he asked if the TRPA was on a step system where people progressed through the steps and received salary increases through step increases. Mr. Singlaub responded affirmatively and added that much of the work of the TRPA was more similar to local governments because of the permitting and planning, which was one of the reasons the TRPA lost employees to local governments.

Mr. Singlaub said that M-304 was a request for a cost-of-living adjustment of 2 percent. E-710 was a request for a workgroup computing upgrade. The TRPA had not upgraded in approximately 8 years.

Mr. Singlaub pointed out that E-860 was a request for funding of the regional plan update, which was the basis for creating EIPs. He said that Pathway 2007 was a collaborative effort with several other agencies. California had already identified \$400,000 as baseline, and the TRPA was requesting that Nevada do the same thing with the requested \$200,000.

Mr. Singlaub outlined the requests for the second year of the biennium and noted that the salary comparability increase would be included. He said that one of the key items the TRPA needed in order to upgrade and increase the streamlining of the permit system was an automated permit system that would be parcel-based and link to the geographic information system (GIS). Independent studies had identified the automated permit system as a key need; most of the counties in the Tahoe Basin had an automated permit system.

Mr. Singlaub commented that the TRPA was looking into a system that allowed the public to check on the status of their permits. Currently, approximately 20 percent of staff time was spent on the telephone answering questions about the status of a permit application, which meant that an automated permit system could improve efficiency by 20 percent.

Mr. Singlaub pointed out that the cost-of-living adjustment was included in the second year of the biennium as was the workgroup computing upgrade. He said the cost of those upgrades had been spread across two years. Decision Unit E-720 referred to the Tahoe Integrated Information Management System (TIIMS), which was a regional database. The TRPA had been working on TIIMS with several different agencies and was seeking additional funding in the amount of \$33,000 from Nevada to upgrade the system and link it to the GIS so researchers and others studying the Tahoe Basin could access the data.

Senator Rhoads asked if California would also be providing funding. Mr. Singlaub pointed out that since California met annually, the FY2007 funding had not even been discussed yet, but he assured the Subcommittee that it was contingent upon receiving the matching funds from California.

Senator Rhoads asked Mr. Singlaub to comment on the TRPA's relationship with California. Mr. Singlaub said the relationship was positive, despite the budgetary struggles California was facing. He added that the TRPA was not considered a state agency in California, but its budget was included as a line item in the resource agency.

Senator Rhoads questioned the structure and asked how decisions regarding the TRPA were made in California. Mr. Singlaub said he was not sure; he worked more closely with Nevada than he did with California. Senator Rhoads asked if Mr. Singlaub communicated often with California, and Mr. Singlaub replied that there was communication at the staff level. He finished his presentation by stating that the Pathway 2007 baseline funding mentioned previously would be continued in FY2007.

Ms. McClain questioned the BeneComp salary study and noted that the study had recommended an 8 percent across-the-board increase without taking into account that some positions were as much as 25 percent lower while other positions were close to comparable. She asked why the study had not taken a more individualized approach.

Mr. Singlaub explained that all the positions were placed at different grade levels, and a classification review was performed on a periodic basis to ensure that each position was in the right classification, which could then change in terms of the grade level. The comparability increase applied across-the-board in order to spread the increase to all the positions. Positions were paid higher or lower based on the classification study, which also compared the positions to similar positions in both states. He stressed that salaries were determined by the classification review rather than the comparability review.

Ms. McClain requested that Mr. Singlaub provide additional detail on the positions—what the current salary was and what it would be. Mr. Singlaub indicated that there was a table that showed where each position was in terms of grade levels and what the salary range was in terms of the steps. He said he would provide that information as well as information on how the salary ranges would be affected by the 8 percent increase.

Assemblyman Denis commented that there were several requests for technology-related items. He noted that E-275 was a request for funding for a GIS parcel-based permitting system, which was a commercial off-the-shelf (COTS) system. He asked why the agency needed \$135,000 in development costs for a COTS system.

Mr. Singlaub explained that the system had to be adapted to specific programs at Lake Tahoe. The TRPA had an existing GIS that would have to be linked to the new parcel-based permitting system, and the TRPA would need to be able to modify the parcel-based systems from all the jurisdictions around Lake Tahoe to put on the TRPA's system.

Mr. Denis questioned the amount of \$135,000 for development. Mr. Singlaub said that was the cost of making the new system compatible with the existing system.

Mr. Denis asked if there would be savings once the system was implemented. Mr. Singlaub said there would be savings. He said that currently all the information TRPA had was in paper form and stored in a warehouse. The new system would allow people to submit their applications electronically, the TRPA staff could review the applications electronically, and approvals could be issued electronically. The savings would be in staff time and efficiency. Currently, approximately 20 percent of staff time was spent answering status questions, but once the status of permits could be checked electronically, the staff would

be able to work on other things. A 20 percent increase in efficiency was akin to a 20 percent increase in staff.

Mr. Denis requested that Mr. Singlaub submit more information detailing the savings. He noted that the time frame for the implementation of the system was 10 months, and he asked if that was a realistic time frame given the modifications that had been mentioned. Mr. Singlaub stated that he would love to be able to do it faster, but the existing records also had to be scanned and entered into the system. He said that there were other components of the system; the system would also keep track of how much time was spent on each permit so that permit fees could be based on the amount of time needed to process the permit. He reiterated that he would like to complete the implementation more quickly, but there were many steps to the process. Mr. Denis commented that 10 months was quick. Mr. Singlaub replied that 10 months was the time estimate he had received.

Mr. Denis said that the Department of Information Technology had expressed concern regarding certain aspects of the project, and he asked if those issues had been resolved. Mr. Singlaub responded affirmatively.

Mr. Denis asked if California had committed to the funding. Mr. Singlaub explained that California was currently considering the FY2006 budget, but would not be considering the FY2007 budget until the next year. He pointed out that the funding was contingent on California providing funding as well. Mr. Denis remarked that rather than funding for FY2007 without knowing California's intentions, the funding for FY2007 might be an issue for the Interim Finance Committee to consider. Mr. Singlaub reassured the Subcommittee that the funding was contingent on California's funding, which meant that it would not cost Nevada if California did not approve the funding.

Mr. Denis pointed out that the budget requested \$30,000 for applications and technical support during the implementation phase. He asked why that funding was needed if the system was not up and running. Mr. Singlaub responded that there was existing data on the system, which was essentially a permit system that was "limping along" until the new system could be implemented.

Mr. Denis indicated that the information he had received indicated that the TRPA was requesting \$30,000 to support the new system, but as the new system had not been implemented, he did not understand why \$30,000 would be needed to support a system not yet in existence.

Jordan Hastings, Information Systems Director, TRPA, clarified that Mr. Denis was referring to a request for \$30,000 in FY2007. Mr. Denis asked if that meant the system would be fully implemented in FY2007. Mr. Hastings said there was a recurring cost to keep the system operational; the vendor charged a regular amount for keeping software up-to-date with an annual subscription.

Mr. Denis asked when the system would be completed, and Mr. Hastings said the system would be completed in FY2007. Mr. Denis asked if the \$30,000 would be used in the year following completion. Mr. Hastings said the \$30,000 would be used to ensure that the system remained operational into the following year. He explained that the vendors billed in advance for their maintenance for outgoing years, so given that the fiscal year ended during the TRPA's busiest season, it was necessary to ensure the vendors received payment so there would be no hiatus in support. Mr. Denis said the \$30,000 would not be paid



until the system was up and running. He asked that Mr. Hastings's submit additional detail regarding the request.

Senator Rhoads asked if the \$30,000 request would continue in future budgets. Mr. Hastings responded affirmatively and said it was baselined. Senator Rhoads asked if that had been included in the base budget. Mr. Hastings said it was in the request. Mr. Denis interjected that the \$30,000 was only included in FY2007.

Mr. Denis asked for a breakdown on the hardware and software requests in E-710, as well as a technology plan for the TRPA. He asked if it was true that the TRPA had computers that were eight years old and had not been updated. Mr. Hastings indicated that was correct.

Senator Beers said there appeared to be an increase of approximately 26 percent in Nevada's General Fund appropriation during the first year and an additional 16 percent for the second year, which was an increase of approximately 50 percent over the biennium. He commented that the increase in California's General Fund appropriation was a far smaller percentage, which did not seem equitable.

Mr. Singlaub expressed confusion and said California paid two-thirds and Nevada paid one-third. He said he had not calculated the percent increase, but the table in [Exhibit D](#) showed the funding levels for both states. He noted that the amounts did not include some of the one-time expenditures, such as the funding for the parcel-based permitting system.

Mr. Nolan offered additional explanation and said that a portion of the increase, \$200,000 a year, was for the Pathway 2007 plan implementation, which in the previous biennia had been funded through bond interest. California had baselined that as part of its base contribution. To ensure that the agency was not penalized because Nevada funded things differently, that \$200,000 had been placed into the General Fund base budget. Senator Rhoads asked what California paid, and Mr. Nolan said that California paid \$400,000, but had already baselined it.

Mr. Hogan noted that there were not any performance indicators included in the budget and asked if there was a way to show how the TRPA set goals and tracked progress. Mr. Singlaub said the TRPA did not have performance indicators, but he would provide that information.

Mr. Denis inquired as to the difference between the TIIMS and the GIS mentioned in E-720. Mr. Hastings explained that the TRPA had built two kinds of systems over time. One system the TRPA had prototyped was called the TIIMS (Tahoe Integrated Information Management System). It was an early attempt to build a GIS and had no connection to parcel information. Conversely, the TRPA had built some in-house software to manage parcels and permits that had no connection to GIS. He indicated that the budget item that had been discussed was for replacing the "homegrown" system for the permits. The system could not be replaced by a COTS system because the Tahoe environment was unique in many ways and the new system needed to be built to connect to the parcel management system. The E-720 request would fund the final upgrades to the GIS system to support the Pathway 2007 planning process in E-860.



Mr. Denis said there were two systems that performed two separate functions, and he asked if the systems were connected in any way. Mr. Hastings said there were "tie points" that were fairly primitive. He said the agency had long-range activities, the Pathway 2007 project was based on a 20-year time frame, whereas the permits were based on a 20-day time frame. The systems that would support those activities would be different in a variety of ways; the TIIMS program had been built to support the long-range planning and performed those functions well, but needed to be connected to the short-range permitting functions.

Mr. Denis asked if the request for the TIIMS upgrade would bring that system to the same level as the GIS. Mr. Hastings indicated that was correct. Mr. Denis asked if California had committed to funding that upgrade. Mr. Hastings pointed out that the FY2007 request would not be considered by California until its next budget cycle.

In response to Mr. Denis's inquiry about performance indicators, Mr. Singlaub said that the TRPA did not have any, but he had been working with the TRPA oversight committee, and there were approximately five items that the oversight committee had specifically requested. He said the TRPA would develop performance indicators if the Legislature felt it was appropriate. Mr. Denis said performance indicators would help the Subcommittee to evaluate the TRPA.

Senator Beers remarked that performance indicators helped manage the process. Mr. Singlaub said the TRPA had its own internal performance indicators, and Senator Beers said those internal performance indicators would be sufficient for the Subcommittee.

Senator Beers said he was concerned about placing money for a temporary project into the base budget. The project was supposed to take a few years, and then it was supposed to be done. Mr. Singlaub explained that the reason California had baselined the funding was that, while the Pathway 2007 project, which was the development of a 20-year regional plan, would be completed, threshold updates would be needed every 5 years. He had discovered that while workload had been reduced in other efforts as the Pathway 2007 project was underway, those efforts in areas of zoning and EIPs and community plan development, would increase once the Pathway 2007 project was completed. The workload would essentially remain the same.

Senator Beers asked why that had not been the case before the TRPA had started the temporary project. Mr. Singlaub said that had always been the case and the TRPA had had to return and ask for the money each time.

Senator Beers pointed out that it was supplemental funding for a special project, but Mr. Singlaub was indicating that once the special project was done, those funds would still be necessary. Mr. Singlaub responded affirmatively and added that the TRPA was not doing some things in planning and evaluation while the Pathway 2007 project was underway. Senator Beers said that the Pathway 2007 project was funded through supplemental funds. Mr. Singlaub explained that the funding was for the regional plan update as well as the environmental improvement program development.

Carl Hasty, Deputy Director, TRPA, addressed the Subcommittee and said that the TRPA had been working with Nevada and California on the Pathway 2007 project for several biennia. The project had been special-funded in terms of the additional studies and monitoring needed. The TRPA had attempted to baseline

the funding several years ago, and while the California Legislature had done so, the Nevada Legislature had not thought that was appropriate.

Mr. Hasty explained that the Pathway 2007 project had been envisioned in a series of phases, starting with the scientific work that needed to be done, and moving into the phase of actually preparing for the new 20-year plan itself. He said the subsequent phases would require modification of additional components of the plan as well as additional monitoring to track progress. Mr. Hasty said the request was focused on the formulation of the regional plan, and that type of work would continue, but that would be "shifting down" as the other phases "wind up." In that request, the request was not a one-shot appropriation.

Senator Beers asked if the project had been falsely represented as a temporary project with one-shot funding when the project had started several years earlier. Mr. Hasty said the TRPA had stated from the beginning that the project would be done in a series of phases and that funding would be needed for each phase.

Senator Beers expressed dissatisfaction with Mr. Hasty's answer. Mr. Hasty said he would discuss the matter further with LCB Fiscal staff and present information regarding past submittals for the project.

Mr. Hasty added that when the TRPA had worked with California on the project, particularly with the budget cuts faced in the beginning, California had decided to baseline the funding for the project. He said he thought the TRPA had been clear on its intentions for the project, especially since the project was now in its third biennium. Senator Beers remarked that it should be the last biennium for the request. Mr. Hasty said he would be happy to work with the LCB Fiscal staff to resolve issues.

Senator Rhoads mentioned that recently he had heard that some of the land at Lake Tahoe was for sale. He asked if Mr. Singlaub was aware of that situation and requested comment on the potential impact.

Mr. Singlaub indicated that there had been proposals to purchase private land at Lake Tahoe. He said that the Ponderosa Ranch had been the most recent property for sale, but the TRPA had been unable to raise the funds to purchase it. He said there were approximately 700 acres above Incline that the U.S. Forest Service (USFS) was interested in acquiring as well. The 700 acres was a developable parcel and the owners were interested in selling to the USFS. There was also a large parcel on the California side, and a number of small parcels that the USFS had been acquiring, using Santini-Burton Act money as well as Southern Nevada Public Land Management Act funds.

Senator Rhoads asked if it was a congressional act. Mr. Singlaub said it was part of the Southern Nevada Public Land Management Act, and the land acquisitions on the California side were part of the Santini-Burton Act, which also involved the sale of lands near Las Vegas. Senator Rhoads clarified that private lands were being sold to the USFS.

Senator Titus asked if the money for the project that had been appropriated previously would be in jeopardy if the federal funds were cut. Senator Rhoads pointed out that the funding was in the federal budget.

Mr. Singlaub said there was a \$300 million commitment in the Southern Nevada Public Land Management Act, but overall, that program was in jeopardy. He

noted that President George W. Bush's budget requests identified 70 percent of that funding being cut.

Senator Titus asked if the TRPA was taking any actions to protest those cuts. Mr. Singlaub said he had been working with the congressional delegations from both Nevada and California. He explained that the issue was whether the Tahoe Basin portion would still be a commitment that would be funded out of the remaining 30 percent. Mr. Singlaub said the future was uncertain, but he was hoping the federal government would retain its commitment on the full \$300 million.

Senator Titus said she understood that the proposal had been stopped in the U.S. Senate, but the 30 percent version of the proposal was moving in the House. She asked if the TRPA was considering a resolution to express strong opposition to that proposal. Mr. Singlaub indicated that the TRPA would be sending a resolution in April.

Senator Beers asked how long the Southern Nevada Public Lands Management Act had been in existence. Mr. Singlaub explained that it had been passed in 1998. In 2003 there was a Lake Tahoe amendment pushed by Senator Ensign that identified the \$300 million commitment that President Clinton had made back in 1997 using the Southern Nevada Public Lands Management Act funds as the source of that money. It was an 8-year authorization and the \$300 million was spread across those 8 years, which meant \$37.5 million per year was received. The majority of those funds went to the USFS, \$10 million was a pass-through from the USFS to local governments for erosion control projects, and approximately 10 percent of that \$37.5 million was spent on science and research efforts at Lake Tahoe. He said there was a lengthy public review process that was being reviewed by the congressional delegation in Washington, D.C.

Senator Beers asked if the bill stated how the money would be split between local governments and the USFS. Mr. Singlaub said it funded the Tahoe Restoration Act that specified the distribution of the money and that was where the \$10 million for the erosion control projects came from. The funding could only be given to federal agencies, primarily the USFS because the USFS administered approximately 80 percent of the land at Lake Tahoe. The money also went to the Environmental Protection Agency (EPA), the Corps of Engineers, the Federal Highway Administration, and other federal entities that worked in the Tahoe Basin. The TRPA did not receive the funding, but it was responsible for the EIPs at the Tahoe Basin, so the TRPA worked with the federal agencies to ensure the best projects were funded. Senator Beers noted that if the funding were changed it would not affect the TRPA budget, but it would affect the work done at Lake Tahoe. Mr. Singlaub said there was no question that changing the funding would have a significant impact on Lake Tahoe.

Mr. Singlaub completed his presentation and assured the Subcommittee he would provide the information to staff that had been requested.

As there were no further questions or comments, Senator Rhoads closed the hearing on Budget Account 101-4204 and opened the hearing on Budget Account 101-4162.

**DIVISION OF STATE PARKS**  
**STATE PARKS (101-4162) – BUDGET PAGE DCNR-40**

David K. Morrow, Administrator, Nevada Division of State Parks, introduced Kirsten Hettrick, Administrative Services Officer I, and Stephen Weaver, Parks Regional Manager II. Mr. Morrow began his PowerPoint presentation ([Exhibit E](#)) and distributed [Exhibit F](#) to the Subcommittee.

Mr. Morrow provided an overview of the Division and said that Nevada had 24 state parks scattered throughout the state, and all but 3 counties had one or more state parks. There were 24 state park units for a total of 132,523 acres, and approximately 400 structures, many of which were historical. The two most visited Nevada state parks were Lake Tahoe and Valley of Fire.

Mr. Morrow explained that the authority for the operation of the Division came from *Nevada Revised Statutes* 407.013, which stated:

It is the intention of the Legislature that the Division of State Parks shall acquire, protect, develop, and interpret a well-balanced system of areas of outstanding scenic, recreational, scientific and historical importance for the inspiration, use and enjoyment of the people of the State of Nevada and that such areas shall be held in trust as irreplaceable portions of Nevada's natural and historical heritage.

Mr. Morrow said there were three critical objectives for the Division ([Exhibit E](#)), which were:

- To continue to manage, protect, operate, and maintain existing and future units of the Nevada State Park system.
- To acquire, plan for, and develop a well-balanced system of areas of outstanding scenic, recreational, scientific, and historical importance.
- To continue to manage and interpret the natural, cultural, and recreational resources of the State Park system.

Mr. Morrow explained that the State Parks budget was made up of several funding sources, the largest of which was General Fund. He pointed out that over the next biennium the General Fund projections were approximately 47 to 50 percent of the total budget. Other revenue sources included tourism, marina development gas tax, user fees, and miscellaneous revenues, such as charges and fees.

Mr. Morrow stated that one of the most critical aspects of BA 101-4162 in The Executive Budget was deferred maintenance, and the Division was requesting \$1,574,594 to complete deferred maintenance projects around the state. The projects listed in [Exhibit F](#) had been determined by a conditional analysis inspection conducted by the State Public Works Board. The analysis identified everything from carpet issues to roof and window repairs throughout the state. In addition, M-504 requested funding to pay for environmental protection permits for septic tank systems; there were 11 systems at a cost of approximately \$200 per permit.

Mr. Morrow informed the Subcommittee that there were many maintenance projects ([Exhibit F](#)), including:

- Siding issues, such as painting and upkeep
- An asbestos problem in the regional office in Panaca
- Roof leaks and damage
- Americans with Disabilities Act compliance issues
- Walkways, sidewalks, flat work problems
- Rodent problems and woodpecker holes
- Structural damage at a restroom facility at Mormon Station in Genoa
- Floor tile and window repairs

Mr. Morrow added that there were a number of maintenance and enhancement requests in addition to the deferred maintenance projects. M-304 was a request for a 2 percent cost-of-living adjustment. E-175 and E-181 related to the Big Bend campground: one was for an additional park ranger position, and the other was for seasonal employees, utilities, and operating costs. He indicated that the Big Bend State Recreation Area was undergoing a major expansion with the addition of 60 to 70 camp units, the creation of a group use area, the rehabilitation and expansion of the day use area, and the building of a fee entrance station. Mr. Morrow indicated that the Division was working to develop partnerships with the Colorado River Commission and the Southern Nevada Water Authority for management of the park site and surrounding areas.

Mr. Morrow pointed out that E-525 was a request related to the Division's move into a new building and a smaller space. The Division would no longer be using individual files cabinets but would be using a condensed filing storage system, which would save space. He explained that the request was not for the filing system itself, but for folders and items to create a filing system that worked in that new condensed area. Also included in E-525 was funding for a T-1 line, 2 filing cabinets for the administrative position, new business cards, and other miscellaneous items.

Mr. Morrow noted that E-721 was a "connectivity" package. He said the Division was attempting to connect all state parks by computer, and E-721 would connect Cave Lake, Beaver Dam, and Berlin Ichthyosaur. He indicated that eventually the goal would be to consider a reservation system for the state parks.

Mr. Morrow explained that E-804 was a Nevada Highway Patrol (NHP) cost allocation for dispatch services. He said the Division had looked into other sources for dispatch services, but the NHP cost allocation was fairly reasonable.

Mr. Morrow said that there were also several requests for upgrades. He said the Division had tried to anticipate positions within the Division that were working out of class or that had expanded duties and identify those prior to the session so they could be included in the requests. All those positions reflected that type of decision-making, for example, administrative assistant positions that were intended to be receptionist positions but were also contract monitors, safety committee members, and performed a number of other duties.

Mr. Morrow directed the Subcommittee's attention to E-809, which was a request for a 2-step increase for 34 law enforcement positions within the agency. He emphasized that the Division had a very significant recruiting problem. The last two major law enforcement recruitments that had been held only yielded five or six qualified applicants, which was significantly less than in the past. He added that the Division was behind most of the other law enforcement agencies, both local and state, on the salary scale.

Mr. Morrow stated that the danger for the individuals in those positions was significant. There had been two assaults in the past month and there had been several assaults in the past. He pointed out that the officers worked in situations without backup from other law enforcement agencies. Officers responded to problems alone, and Mr. Morrow stated that the State Parks officers deserved the same consideration as other officers within the state.

Senator Titus asked if the assaults were random acts of violence or a result of protests. Mr. Morrow said the Division of State Parks did not generate the controversy that the Bureau of Land Management or the U.S. Forest Service did. He provided an example of an officer at Cave Lake who was assaulted after stopping a driver who had failed to pay a fee and appeared to be under the influence of alcohol. There were often serious problems at Lahontan, stemming from drug and alcohol use. He said that the previous year, most of the officers had accumulated 20 to 30 hours in overtime over some of the major holidays. Mr. Morrow pointed out that dealing with those kinds of situations was dangerous, and campgrounds were particularly bad because they were dark and it was difficult to get assistance to officers in trouble. He emphasized that people were unwilling to take on the responsibilities of law enforcement without adequate compensation.

Ms. McClain asked if E-809 had been included in the Governor's recommended budget. Mr. Morrow replied that all the items he had presented for the Subcommittee's consideration were part of The Executive Budget.

Ms. McClain asked if the Division of State Parks had been included in the classified/unclassified service study. Mr. Morrow confirmed the Division had been included in the study, and E-811 was the result. The two positions included in the study were the Chief of Planning and Development and the Chief of Park Operations.

Ms. McClain noted that there was also a reclassification of a position in E-814 that was vacant and she inquired as to the reason for the reclassification. Mr. Morrow explained that the position was vacant only because the previous individual had quit. When he terminated his employment, the Division had chosen to reexamine the duties and responsibilities of the position and had determined that that position should be graded higher. The management of that site included both Kershaw Ryan and Beaver Dam, and there was not as much support as originally intended in the region.

Ms. McClain pointed out that the request was an increase of 28 percent. Mr. Morrow agreed that it was significantly higher, but it was a position about which the Division felt very strongly.

Senator Rhoads commented that the Division had not included an equipment request in E-710 and he wondered why. Mr. Morrow said there was a need for some replacement, but while the Division had been greatly supported in some areas, the Governor had chosen not to support the equipment request.

Ms. McClain asked if the Big Bend campground would be opening in October 2006. Mr. Morrow indicated that the opening had been delayed and that information had only recently been conveyed to the LCB Fiscal staff.

Stephen Weaver, Chief of Planning and Development, Division of State Parks, informed the Subcommittee that originally October 2006 had been the

scheduled opening date, but there had been delays in getting consultant contracts approved, and when the Division had worked with the consultants to project out all the permits and the process, it became apparent that the campground would not be ready until spring of 2007.

Ms. McClain asked if that delay was reflected in the budget. Mr. Morrow explained that the funding for the campground came from fees, and the Division would balance its operation against the fees collected, so if the project took longer, the budget could be adjusted accordingly.

Ms. McClain noted that the campground was near Laughlin, and she asked when the peak season would be. Mr. Morrow remarked that, oddly enough, parks, even with varied weather, have similar seasons. Much of that was related to the patterns that people chose for vacations because of their children. He said that Laughlin was very busy in the summer even when it was 120 degrees. The area was very popular and very visited. The unique thing about Laughlin was that there was a substantial amount of out-of-state traffic, which brought new money into the state. Mr. Morrow said that the "slump" Laughlin had been in had ended and things were picking up.

Senator Rhoads commented that the population in Nevada had increased substantially, but the number of user days for parks had not significantly increased. Mr. Morrow agreed and said that part of the reason for that was facility-driven as far as what was available for people to use. He said that at some point in the future, Nevada might want to consider additional parks, especially in areas where the population was growing. Clark County, for example, could support a lot more use.

Mr. Hogan requested information regarding entrance fees to state parks. Mr. Morrow said that the Division would like to be less dependent on the General Fund, so fees were carefully considered as a method of increasing funding for state parks. However, the Division was also cognizant of the threshold where people could not afford to visit state parks, which could decrease the Division's revenue. He explained that, typically, the Division evaluated its fees every two or three years. If a decision was made to change the fees, there were public meetings about the fee change across the state with a final meeting in Carson City before the changes were made.

Mr. Morrow indicated that the average fees were approximately \$6 per vehicle for all-day access to a state park. On a camping basis, the average was approximately \$14 depending on the park and depending on the services available at the park. The individual park passes varied. There were also annual passes for boat launching, and annual passes for day admittance either for individual parks or for the entire park system. Additionally, senior citizens could acquire a pass that allowed both day use and camping across the state for a \$15 annual fee, which was extremely reasonable.

Senator Rhoads asked what the procedure was for donating a historical structure or property to the state for a park. Mr. Morrow said there were a few different ways to make that donation. The Division of State Lands was able to accept property under a certain value without legislative approval, but the Division would still want those proposals to be approved by the Legislature, because in most cases the Division would not be able to absorb the cost of those additional facilities and the support of the Legislature would be needed.

Senator Rhoads asked if there would need to be a bill draft request, and Mr. Morrow said that was one possibility. He said there was another possibility, which the Division was currently exploring, as someone had proposed donation of an area in Esmeralda County. There was a tremendous amount of community support and interest in the plan, and Mr. Morrow said it had a great deal of potential. However, because it was federal land, and because there were some unanswered questions, it might be best for that particular park to be referred to the Natural Resources Committee, which was a statutory committee that met annually, or it could be referred for an interim study so the Legislature could ensure that all questions were thoroughly answered.

Senator Titus interjected that she had proposed legislation for an interim study of Mount Charleston and Walker Lake, which might fit in with the situations being discussed. She added that she had been working with Allen Biaggi, the Director of the Department of Conservation and Natural Resources, on a bill draft request regarding a piece of land within the Red Rock conservation area owned by the state that the Bureau of Land Management was hoping to acquire. Senator Titus commented that the funds received from a sale of that land could be placed in a trust fund that could then be used specifically for upgrading all the state parks.

Mr. Morrow agreed that the parks could use the money and said Senator Titus's plan would help state parks, the Red Rock conservation area, and would be non-General Fund. Senator Titus remarked that Mr. Morrow could help her work on that legislation.

Senator Rhoads requested information on Floyd Lamb State Park. Mr. Morrow explained that at the direction of the Governor's Office and in compliance with two bills that had been passed in the previous legislative session, the Division had been negotiating with the City of Las Vegas for over a year. The Division had worked hard and the response from Las Vegas had been positive, leading to an agreement being drafted. However, as of yet, the Las Vegas City Council had not reviewed that agreement, nor did the Division have approval from the Governor's Office to bring that agreement before the Legislature or the Interim Finance Committee. Mr. Morrow added that the agreement was slightly "out of sync" with the two bills that had been passed, and while those differences would not be problematic, the Legislature would need to approve that.

Senator Beers commented that the Division had "perhaps the most honest budget request" related to the radio system as it included both the 150 MHz system and the 800 MHz system. He noted that with the disparate locations of state parks, there would be places where it would be a significant amount of time before the 800 MHz system would be available, and yet the Division was paying for it in the budget.

Mr. Morrow said that had been included in the budget because of a directive from the Budget Office. He conceded that the Division was struggling with the 800 MHz system, and most of the staff in the areas that were serviced by the 800 MHz, that being Clark County, Washoe County, and Carson City, were carrying two radios because coverage was incomplete in some locations. He said the Division was trying to comply and had been having the same problems that many of the other agencies had faced.



Senator Rhoads indicated that the other items on the agenda would be heard at a later time. The meeting was adjourned at 10:57 a.m.

RESPECTFULLY SUBMITTED:

\_\_\_\_\_  
Susan Cherpeski  
Committee Attaché

APPROVED BY:

\_\_\_\_\_  
Assemblywoman Kathy McClain, Chairwoman

DATE: \_\_\_\_\_

\_\_\_\_\_  
Senator Dean A. Rhoads, Chairman

DATE: \_\_\_\_\_

EXHIBITS			
Committee Name: <u>Assembly Committee on Ways and Means/Senate Committee on Finance Joint Subcommittee on Public Safety/Natural Resources/Transportation</u>			
Date: <u>March 16, 2005</u>		Time of Meeting: <u>8:00 a.m.</u>	
Bill	Exhibit	Witness / Agency	Description
	A		Meeting Agenda
	B	Pete Anderson, NDF	PowerPoint Presentation (19 pages)
	C	Pete Anderson, NDF	Timeline Handout (3 pages)
	D	John Singlaub, TRPA	PowerPoint Presentation (15 pages)
	E	David Morrow, State Parks	PowerPoint Presentation (13 pages)
	F	David Morrow, State Parks	Deferred Maintenance Worksheet (7 pages)