

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON GOVERNMENT AFFAIRS**

**Seventy-Fifth Session
March 3, 2009**

The Committee on Government Affairs was called to order by Chair Marilyn K. Kirkpatrick at 8:01 a.m. on Tuesday, March 3, 2009, in Room 3143 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/75th2009/committees/. In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (email: publications@lcb.state.nv.us; telephone: 775-684-6835).

COMMITTEE MEMBERS PRESENT:

Assemblywoman Marilyn K. Kirkpatrick, Chair
Assemblyman David P. Bobzien, Vice Chair
Assemblyman Paul Aizley
Assemblyman Kelvin Atkinson
Assemblyman Chad Christensen
Assemblyman Jerry D. Claborn
Assemblyman Ed A. Goedhart
Assemblywoman April Mastroluca
Assemblywoman Peggy Pierce
Assemblyman James A. Settelmeyer
Assemblywoman Ellen B. Spiegel
Assemblyman Lynn D. Stewart
Assemblywoman Melissa Woodbury

COMMITTEE MEMBERS ABSENT:

Assemblyman Harvey J. Munford (excused)

GUEST LEGISLATORS PRESENT:

None

STAFF MEMBERS PRESENT:

Susan Scholley, Committee Policy Analyst
Cynthia Carter, Committee Manager
Michelle Smothers, Committee Secretary
Olivia Lloyd, Committee Assistant

OTHERS PRESENT:

John Slaughter, Director of Management Services, Washoe County,
Reno, Nevada
Rosemary Menard, Director, Department of Water Resources, Washoe
County, Reno, Nevada
Andy Belanger, Manager, Management Services Division, Southern
Nevada Water Authority, Las Vegas, Nevada
Bonnie Weber, Vice Chairman, Washoe County Board of Commissioners,
Reno, Nevada
Naomi Duerr, P.G., Director, Truckee River Flood Management Project,
Reno, Nevada
Matthew G. Herrick, Private Citizen, Reno, Nevada
Roger Jewett, Private Citizen, Reno, Nevada
David Emme, Private Citizen, Washoe Valley, Nevada
Pat Phillips, Private Citizen, Reno, Nevada
Patrick T. Sanderson, Private Citizen, Carson Valley, Nevada
Meg Price, Private Citizen, Reno, Nevada
Alan T. Power, Private Citizen, Reno, Nevada
John C. Sagebiel, Private Citizen, Reno, Nevada
Gregory A. Salter, Deputy District Attorney, Washoe County
District Attorney's Office, Reno, Nevada

Chair Kirkpatrick:

[Roll called.] Good morning. I want to explain how we are going to work proactively and efficiently on Assembly Bill 54. I have received a lot of emails and phone calls, so I have asked people to listen on the Internet or to come down in person. Please, Mr. Slaughter, come up to the table and put in the amendment. Then we will go to testimony, which may or may not change based on the amendment, but I think the amendment is an important piece of the discussion.

Assembly Bill 54: Authorizes certain counties to require that certain owners and occupants of property connect to a public water or sewer system. (BDR 20-473)

John Slaughter, Director of Management Services, Washoe County, Reno, Nevada:

We are discussing A.B. 54 today. We are proposing a complete amendment, striking out the entire bill as it was introduced and replacing it with the proposed amendment before you (Exhibit C). I have with me Rosemary Menard, our Water Resources Director, and Naomi Duerr, our Flood Project Director. We are going to talk about the need for the bill and the need for the amendment as we have it.

Our amendment is really the intent that we had originally thought of. As we were working through the original bill, we considered the timing of getting bills into the Legislative Counsel Bureau (LCB), but once we saw the bill when it came out, we knew there were issues with it.

[Read from (Exhibit C).] Converting to a community water or sewer system can be a very expensive proposal, and it usually involves a threat to public health and safety because of the failure of those systems. One point I would like to have on record is that the proposed amendment removes any language from the previous version of the bill relating to mandatory conversion to community water or sewer systems. That was never our intent. When the original bill was drafted, there was discussion with LCB staff attorneys and our District Attorney's Office that set the original direction. In subsequent discussions we have found a very viable way to get to our objective and to remove that mandatory conversion language within the bill.

With that brief introduction I would like to turn it over to Rosemary Menard, who will talk about section 1 of the amendment, which deals with water and sewer systems. When she finishes, we will turn it over to Naomi Duerr, who will talk about section 2, which discusses flood-proofing.

Rosemary Menard, Director, Department of Water Resources, Washoe County, Reno, Nevada:

In the Truckee Meadows service area, there are currently 5,400 properties with domestic wells and about 14,500 properties served by septic systems. These facilities have a life that goes on and on until they reach a point at which they fail. Then, in many cases, we need to convert those property owners by their own desire, and in some cases to protect public health and safety, to community systems. And when that occurs these property owners are faced with conversion costs of anywhere between \$5,000 and \$30,000 per utility.

The goal of A.B. 54, in the redrafted version, which we support, is to give us some additional financial tools to assist property owners when the conversion occurs, either because they prefer to make the conversion or because the state or the local regulatory agencies are requiring those conversions to be made. With respect to financing programs, no general fund tax dollars would be involved in supporting these kinds of activities.

We are looking for authorization from the Legislature for us to create financing programs, which would largely be loans and would allow people to pay for those conversion costs over time. We have been searching for grant resources from federal and other entities that might assist property owners in making those conversions at a lower total cost. In a recent project we did in west Reno, in the Mayberry Ranch Estates area, there were properties converting from on-site septic systems to community sewer systems. Those properties were adjacent to the Truckee River, and we were able to attain around \$230,000 from the Truckee River Fund, which is a nonprofit entity, to help mitigate some of the costs. Converting from septic systems to the community sewer system abates the problem of the nitrates that are being generated out of the septic systems and are flowing to the river. Finding grant money to help mitigate costs is a strategy we would like to continue to pursue. With that, I will turn it over to Naomi Duerr to briefly cover the flood-proofing project.

Chair Kirkpatrick:

Can we go through section 1 of the bill first? Does anyone on the Committee have any questions?

Assemblyman Bobzien:

I am looking on page 2, in section 1 of the proposed amendment. I appreciate you striking out the language that seemed to cause the most concern for people about the mandatory hookup. [Read from ([Exhibit C](#)).] If the conversion is no longer mandatory, as to what you are seeking with the bill, what scenarios would be covered by the "is otherwise required" piece of the proposed amendment? Why is that still in there?

Rosemary Menard:

We provided the Committee with a map that has a location map on one side and a map of the Heppner subdivision in Lemmon Valley on the other side ([Exhibit D](#)). This is an area where the water table is falling. In an effort to assist the Heppner property owners, the Department of Water Resources has been installing a community water system in this area. One way people are "otherwise required" is that the State Engineer will look at someone who wants to redrill his well, and if the community water system is available, the

State Engineer typically will require that person to connect to the community water system rather than redrill the well. Another example is that the Washoe County Department of Health has requirements that people whose septic systems have failed must connect to a community sewer system if the sewer system is available. That was the case in the Mayberry Ranch Estates area, where within a certain required distance, about 400 feet, the sewer system was available.

Chair Kirkpatrick:

Does anybody else have any questions? I want to discuss section 1 of the proposed amendment first, because section 2 deals with flood management.

Assemblywoman Pierce:

In looking at the proposed amendment on page 2, subsection 4 under section 1, can you explain what it is saying? Can you run through where the funds for the financial assistance are coming from, please?

Rosemary Menard:

The Washoe County Department of Water Resources is an enterprise fund. We generate revenues from rates and developer connection charges. We have the ability to issue revenue bonds, and our goal would be to make an assessment over time of how much support we might need to provide in the form of loans. We might establish a line of credit with a financial institution that would allow us to work with customers and property owners over a period of a year or two, combine those commitments, and at that point issue a long-term, 20-year bond. These would be revenue-backed bonds, based on our enterprise revenues and not any kind of general tax funds.

That is how we would generate the money. Subsection 4 focuses on the arrangements that would need to be made between us, as the grantor of a financing program, and the property owner. It is similar to what is going on with the Las Vegas Valley Groundwater Management Program. The program has the ability to finance the connections from folks, who have revocable groundwater permits, to the community system. There is a provision in Chapter 572 of the Southern Nevada Water Authority Act, Statutes of Nevada 1997, that provides for liens to be established on the properties as a guarantee of that repayment. This section of the bill is a bit of an elaboration on that same concept in Chapter 572.

Assemblywoman Pierce:

I will have to keep looking at it further because I am not sure I understand it yet.

Assemblyman Goedhart:

There seems to be a question in this proposed language if the well or septic tank fails. Say a person's septic tank failed. Could he just hook up to the sewer system and still use his own water? Is that a possibility? Or if one of the two fails, would he have to do a complete switch-over to both sewer and water?

Rosemary Menard:

It is absolutely an individual situation, so it could very well be. That is the case with the Heppner subdivision; those properties have no community sewer system available, but they do have a community water system. The goal in this situation would be to deal with the water side of the house, and if at some future time a community sewer became available, which there are currently no plans for, then that situation would be considered. The Health Department's regulations kick in when a person's septic system has failed and he comes in to ask for a permit to repair or replace it; the Department looks at whether there is a community system available to that person.

Assemblyman Goedhart:

Is that when the 400 feet kicks in?

Rosemary Menard:

Yes, that is on the septic-system side of the Washoe County health regulations.

Assemblyman Settlemeyer:

I was wondering how you folks felt about changing the language "otherwise required to convert from the use of a private water or sewer system," so that an individual could not be required to convert under any circumstance if he had the desire to drill his well deeper. In other words, just leave it as "otherwise required" for the sewer portion, but allow the water to remain outside of that provision. That seems to be the main concern I get from constituents.

Rosemary Menard:

The provision about hooking up to a community system comes out of the State Engineer's regulations, so it is not a local regulation. If there were going to be that kind of language change, we would need to coordinate with the State Engineer because the change would have statewide implications. Again, in the Heppner case, there are 518 properties that are on domestic wells. The area was plotted and designed for a municipal system, but because of a water rights moratorium in the 1970s, these folks put in domestic wells and were chasing a declining water table. There is an economic trade-off for individuals, as well as for the community, when figuring how to make sure they have water.

That is an issue we are open to discussing. It is a State Engineer issue driving that particular connect requirement.

Assemblyman Settelmeyer:

I completely understand what you are saying, and I think most individual property well owners would more than likely want to switch over due to the cost. Generally, drilling a well deeper is far more expensive than hooking onto the municipal one. Our law basically says you just have to keep drilling deeper; you do not have the right to tell your neighbor he has to turn off his water use. I understand where you are going. It just seems that if an individual wanted to incur that expense, so that he had his own water, it is a protected water right, and that is what concerns me.

Chair Kirkpatrick:

Does anyone have any questions? A subdivision in my district has a very similar issue, so they have talked about moving the perimeter closer to the outlying streets. The part that concerns me about this bill is that "public health, safety, and welfare" is pretty broad. You could find any reason to make residents switch. A lot of these folks were here a long time ago, and everything is changing around them, so I do not know what the fix is. There has to be some consistency for the constituents as far as I am concerned, because water rights go up, and on the wells it is a set amount. Regarding the local government ordinance, which you say requires a factual finding, there is no definition. Are these people going to be financing for 20 years, and at what interest rate? There are a lot of details missing. I do not like broad issues when we are trying to address one issue, because it is amazing how sometimes they get interpreted in a much different way than what the Legislature intended. Is this the only subdivision that has this issue?

Rosemary Menard:

No, Madam Chair, this is not the only subdivision with issues.

Chair Kirkpatrick:

Do you know how many places this might be a problem for?

Rosemary Menard:

In the Truckee Meadows service area, which is basically the urban and suburban area boundary, we currently have about 15,000 properties on septic systems and about 5,400 properties on domestic wells. The goal is not necessarily to convert all of those, but there is recognition of the issues. For example, in Spanish Springs, which is an area east of Lemmon Valley, there are about 2,000 properties that were built in the 1970s that are on septic systems on small lots. We have been trying to obtain funding to convert those properties to

the community sewer system, because the nitrates from their septic systems are polluting the groundwater and affecting municipal wells. Nitrates are a contaminant regulated by the Safe Drinking Water Act, and we are reaching a point at which municipal wells would be affected and would have to be turned off or treatment would be required. In that particular area we have what we would describe as a public health issue, and the issue that we are really struggling with is how we make it affordable for residents, especially in this economic climate, to convert to a community system.

You are correct that there is not a lot of detail in this amendment about the nature of the financing program. We need some authority to work with property owners to create financing programs that would work for them. We can probably come up with some more details if you needed us to do so. I think at this point we are really trying to recognize that we do not have a "one size fits all" situation, and to have flexibility to find a solution that works for people and gets them converted to the community system.

Chair Kirkpatrick:

Even if we do special improvement districts (SID), there is a bit of consistency. To me, this is too broad. It does not spell it out enough. Does anyone else have any questions?

Assemblywoman Mastroluca:

How long does it take to convert a property to the public system?

Rosemary Menard:

If the community system is in place, it is probably a matter of a few days.

Assemblywoman Mastroluca:

You said that there were approximately 500 homes in the Heppner subdivision, so if all 500 homeowners came to you next week and said, "Okay, we are going to switch," could you feasibly do that? If all their wells failed, can they get water without having to wait for months?

Rosemary Menard:

Yes.

Assemblywoman Spiegel:

In the event that individuals are forced to do a conversion because of the public health, safety, and welfare concerns, has there been any discussion about possible eminent domain implications concerning the people who are now forced to give up their de facto water rights?

Rosemary Menard:

Regarding the water rights side of this issue, there is a domestic well credit law that has been in place, I believe, since the mid-1990s. That law allows an individual who is transitioning from a domestic well to a community system to use that domestic well credit in order to avoid having to purchase water rights. Domestic wells do not have a water right per se, so the domestic well credit law was put into place as a surrogate and helps people make that transition without having to purchase additional water rights. The structure of that statute allows people to recognize that they had the right to have a domestic well, and now they have converted that right to a water right on a community system.

Assemblyman Goedhart:

I am getting the picture on the septic tanks now, but as it relates to the private wells, I was looking at the letter submitted by Craig W. Park of Reno ([Exhibit F](#)). It described how their request to have their well deepened was initially denied by the State Engineer, and then upon further correspondence with the State Engineer and the Water Resources Department, they received a different judgment. They were allowed to go ahead and deepen their well. What is the right of a well owner within that subdivision to deepen their well? You said the rules are outside of a county jurisdiction, applied from a state level. It seems that depending on who you talk to, they can come up with different decisions.

Rosemary Menard:

I have only been here for a couple of years, so I am learning a lot about this myself. My understanding is that the State Engineer does not currently have a ruling that says if you are within 400 feet or 600 feet, you will hook up. It is that way in our area and slightly different in southern Nevada under the groundwater management program provision. The Washoe County Health Department has that 400-foot requirement for the septic side and the community sewer. I understand the State Engineer has some discretion if the cost of hooking up versus the cost of deepening the well is exorbitantly mismatched, and therefore can let an individual deepen his well and not connect to the system. Those conditions may have played a role in the situation outlined in the correspondence that you received. Perhaps the Water Resources Department took this position early on and said the water system is available, you need to hook up. And then in the conversation with the State Engineer, he did not force that issue, and the property owners were allowed to deepen their well. I am guessing that is what occurred.

Chair Kirkpatrick:

Mr. Goedhart, I can almost bet that Jason King of the State Engineer's Office is listening on the Internet. If you heard the question, could you please get the

answer back to the Committee because I think it is important? People are on a well for a reason, and they do not necessarily want to have to hook up. Some of those folks have been on their wells for 50 years.

Assemblyman Bobzien:

I think it was a great question and look forward to hearing the answer. Knowing that the State Engineer has a great deal of latitude to consider other factors, it seems to me that one factor could be the presence of the domestic water system, so you end up with a snowball effect. Once you have declared this as needing to happen, then when future applications for the well-deepening process go to the State Engineer, they are going to say the county is already doing this. You still end up with a coercive element nonetheless, even if it is indirect at this point.

Rosemary Menard:

That issue is particularly important in the situation regarding septic systems, because if you are within 400 feet of the community system and the extension is made, the 400-foot distance begins anew from that point. In the county's water and sewer service areas, particularly in places like west Reno along the river, we recognize that there are some impacts of septic systems to the river over time. We have an interest in possibly working with the community to address those issues, but I think we are going to need more tools in our toolbox to make that really work. Again, from our point of view, the issue has a lot to do with the way septic system effluent is affecting groundwater and surface water resources. In our area in particular, because of the important role of groundwater resources to our long-term sustainability, we do need to be more proactive and protective of these critical resources.

Chair Kirkpatrick:

It says on page 2 subsection 1, that the public system may be within a "court, passageway, other public highway, right-of-way, easement or other alley." I know you folks have a lot more alleys and passageways up here than we do in Clark County, so would that mean that if a person lived three houses into the alley, and the first two were hooked up, the public health, safety, and welfare issue would apply to that third person?

Rosemary Menard:

In the case of the septic that certainly would happen. The water system issue is a bit more up and down. If you look at the map I provided, you will see there are some areas that have dotted lines on them; this system is being installed in phases, and there are areas where it is not currently available ([Exhibit D](#)). There is a woman living on one of the streets where the water system is not available who has a domestic well problem. It is not likely that we are going to require

her to extend the line all the way to the other lines, but if she needs to do something right away, she will probably be able to deepen her well.

Chair Kirkpatrick:

I will use my own street and my own house as an example. I live on Lone Mountain, which was a dirt road when I moved out there. I could not beg my husband to move far enough out; now it is a 90-foot street with four lanes, and traffic moves pretty fast. To the west, those of us in the last part of the Ranch Estates area are on city sewer, but to the east, those homes are still on septic tanks. I have lived in my home for 17 years, and the street has been ripped up at least 25 times, just because people are trying to come on board the system.

For me, I do not see what the financial gain is. I worry that what may cost one homeowner \$20,000 is going to cost another homeowner a bit more because we keep going back in. I have been the one to say, I still need that drop inlet in the street because it floods four feet deep there. We have not had any more people hook up to the city sewer, and the street is still not fixed. That is my concern for the residents up here, because I could see it being what I call on my street a "hodgepodge." The street is always ripped up, and in 25 years when everyone signs on, they will go back and do it all over again.

I worry about it not being effective. I would think that if all of these homeowners in this subdivision agreed to come on, you would do the whole thing at once. I do not invite the Southern Nevada Water Authority to my well owners' meetings because it just does not work. I do not know what the balance is, and I would bet it is very hard to find. Did you by chance find out how Clark County does it? I know I asked you to see how they currently do their program.

Rosemary Menard:

I have not been able to get that information yet. Can I make one comment about the point that you are making about the incremental, hodgepodge strategy? I will give you one example where we worked with some communities in west Reno on a septic-to-sewer conversion last year. About two years ago, the Regional Transportation Commission (RTC) was going to pave Mayberry Drive, which is a big thoroughfare going west of McCarran Boulevard. There is a large sewer line that comes down from a development built in the early 1990s and goes right through a neighborhood of about 50 homes. The Department of Water Resources recognized that all but two homes were within 400 feet of that sewer.

They put in sewers and laterals to a number of the properties that were not on the street where the main sewer line went through. Then, right when we finished and were discussing what it would cost residents to hook up should they want to, somebody's septic system failed. That gentleman was on the main sewer line, but instead of letting him fend for himself and do the hodgepodge strategy, we did a contract and put in laterals on that line for all the property owners in one project. We combined the efforts on all of those lines, which was about \$250,000 of capital expenditures, and set the rates for folks to hook up. During that process, we were getting a lot of questions like, "Can you provide financing for us to help us convert?" We could not because we do not have the authority. We tried to work with the business and the banking community to establish a program that would allow these folks to hook up. Some of them, for example, wanted to abandon their septic systems so they could use their backyard for some other purpose or do construction that previously was limited by the leach fields.

Basically, our hands were tied. This project was not large enough to support a special assessment district under *Nevada Revised Statutes* (NRS) Chapter 271; it was only about \$250,000. Our experience with special assessment districts is that it costs about \$100,000 to establish one. Also, you can only create the special assessment district before the project has been constructed, so our hands were tied. That is a concrete example of the problem we are facing. We had the capability in terms of revenue bonding and other things to provide the assistance to these property owners, but we did not have the authority to do it. That is what we are trying to do, to have a more comprehensive approach that prevents the hodgepodge effect. After that project was put into place, the streets were all repaved and slurry-sealed, so that the situation Ms. Kirkpatrick has been experiencing does not occur. Again, we do not have the authority to do some of the things that would make sense to facilitate the individual property owner transition. And that is really what we are looking for here.

Chair Kirkpatrick:

Andy Belanger, could you tell me how your system works?

Andy Belanger, Manager, Management Services Division, Southern Nevada Water Authority, Las Vegas, Nevada:

The 1997 Legislature created the Las Vegas Valley Groundwater Management Program and with it a nine-member advisory committee for groundwater management. In 1999, Assembly Bill No. 347 of the 70th Session and Assembly Bill No. 408 of the 70th Session, was the fundamental brain-work of that program. There is a Permanent Recharge Program where we take treated Colorado River water and pump it into the ground for permanent storage in the groundwater basin.

We also were authorized to establish a Financial Assistance Program for well owners in the Las Vegas Valley who are required by the State Engineer to connect to a municipal water system. Domestic well owners and community well owners with a revocable permit are required to connect if their well fails, meaning they would have to bring a drill rig on the property to either deepen or replace the well, and their property is within 180 feet of an existing municipal water line. If those two conditions are met, then the well owner, if he has a domestic well or a community well with a revocable permit, is required to connect to the system.

The Groundwater Management Program assesses a fee of \$30 per domestic well and \$30 per acre foot for all other types of permanent wells in the Las Vegas Valley. That fee generates about \$2 million in revenue each year and is the funding for the Permanent Recharge Program and for the Financial Assistance Program. We currently provide a grant in the amount of 85 percent of the cost of connection for all domestic well owners and community well owners who either are mandated to connect to the municipal system or who choose to do so. To date, I think a little more than 400 well owners in the Las Vegas Valley have volunteered to connect to that system. That is the basis of the program, and I can answer any questions that you might have.

Chair Kirkpatrick:

Does anybody have any questions? I appreciate your coming up. Does anybody else have any questions on section 1 of the bill?

Rosemary Menard:

I would like to introduce Commissioner Bonnie Weber, from Washoe County, who represents the Heppner subdivision and would like to speak on section 1.

Bonnie Weber, Vice Chairman, Washoe County Board of Commissioners, Reno, Nevada:

As the Commissioner in whose district the Heppner subdivision's 518 properties are located, I believe these folks need the ability to seek financial assistance. I believe that is what this amendment is all about in section 1. There are many property owners whose wells may go dry during these difficult economic times. We have been told that between 5 and 15 wells go dry per year.

These folks need the ability to get financial assistance, and we do not have the mechanism to do that now. This language would give them that ability. In this subdivision, some of these people have been there for many years and do not understand exactly how this impacts them. There are elderly folks who do not

have the financial capability to hook up should their well go dry, so we are hoping that you will work with us on this language.

Chair Kirkpatrick:

Does anybody have any questions? I live in southern Nevada, and in northern Nevada things are done a little bit differently. It appears to me, as an outsider looking in, that sometimes our intent is not remembered the way it is supposed to be. I just want to make sure that Nevadans in general benefit. I understand the matter of the 518 residents, but could we limit this language to say if you meet the criteria of subsection 2, then it kicks in?

Regarding public health, safety, and welfare, if you can show me that definition within statute, so that I could call you up this summer when I get the phone calls from the constituents, I am right there for you. I cannot find the definition in statute, so if you could somehow limit it. I just think this is very broad. I am looking for your feedback as a Commissioner because for some reason, once the law leaves this building, it gets very convoluted across the state. I hope you are willing to really tighten this up, so that it helps the right folks for the right reason.

Bonnie Weber:

Maybe I do not understand, are you saying that these property owners would not be mandated, that it is just a tool for them to be able to get that financial assistance? There are many folks who have asked, "Could I prepay, so eventually if my well goes dry I would be able to hook up at that point in time?" Not every one of these property owners whose well might go dry is going to need that financial assistance. Did I answer your question?

Chair Kirkpatrick:

I am a very straight shooter, so let me try to say it again. My point is that the language is very broad, in my opinion. I am not an attorney; I am just a citizen legislator, but I bet I could figure out a way to do something I wanted to with any portion of this bill. Are you willing to really tighten up the language so that there is a clear-cut criterion? My concern is when it says in section 1, of subsection 1, "or is otherwise required to convert from the use of private water or sewer systems to the public water or sewer system, which public system is within any county street, alley, court, passageway, other public highway, right-of-way, or easement." What could you not connect to with that language, because that pretty much says everything?

In section 1, subsection 3, paragraph (c), it says that "The financial assistance shall not be provided unless and upon the condition that the property owner connects to and uses the public water or sewer system." Of course we know

that. The State Engineer's law says they have to hook up, so that already says what we are supposed to do. But where are the criteria? It does not say anything about the terms for the constituents. I can tell you, my neighbor's well bill is very consistent, and my water bill is constantly going up, so what I used to pay \$80 for I am now paying \$180. My neighbor is only seeing a difference in his power bill because of the power it takes to run the well.

I wonder how we can tighten this up, so it is very clear-cut. Is the county willing to do that? I would think you could say in eight lines what you are trying to do.

Rosemary Menard:

I would like to respond to that, Madam Chair. Yes, we can make the language more specific and not so broad. Two things are really important. The public health, safety, and welfare criterion, in effect, exists in the Washoe County health regulations and in the State Engineer's information. We could articulate those in some fashion and maybe reference those if that would be useful. The other thing that is really important is how the County Commission makes a decision about whether financing will be provided.

What we tried to do with that language is to indicate that this is not a "ya'll come" sort of thing. It is a specific program that is intended to provide support, resources, and assistance to property owners, when we can make a finding, and to provide a financing program and assist property owners making a transition because of, or associated with, public health, safety, and welfare issues. There are two places in this amendment where that language is being used, and we are certainly willing to clean it up in both places.

Chair Kirkpatrick:

Sorry, I just want to make sure this is very clear because for some reason it does not ever go that way. Does anyone have any questions?

Assemblyman Goedhart:

I am still confused on the proposed amendment concerning how this specifically is going to provide financial assistance. I think that was also mentioned by the Chair. The Southern Nevada Water Authority had a specific funding mechanism; they had a percentage that was going to be put into a fund that could allay the cost of hooking up. I have seen in other areas where they go in with the sewer and water and do a complete neighborhood in one shot. At that point in time, when either your septic or your well fails, you hook up, and then there is a funding mechanism to have a loan available and set aside as an addition to your property taxes. That seems to take care of a lot of the issues.

I am just not seeing anything cohesive enough here that really addresses it in a holistic approach.

Rosemary Menard:

The point you are making and the strategy that is being used in that whole neighborhood strategy is the special assessment district under NRS Chapter 271. That is an extremely valuable tool that fits many situations. It does not fit a situation such as the one we have in Heppner or that we had in Mayberry Ranch Estates, where the project was already built. The Heppner project has been built partly with federal, state, and tribal assistance grant funding and other resources that the Department of Water Resources made available.

In this particular case, we are talking broadly about giving the county and the Department of Water Resources, specifically under this amendment, the authority to create multiple financing programs that would meet the needs of individual situations. We would fund those programs with revenue bonds or revenues from the Water Resources enterprise fund. Instead of using the special assessment district strategy, which puts financing onto the people's property taxes and they get a bill twice a year, we might do something like put a surcharge on their water bill, so they would make a monthly payment as part of their water or sewer bill; that would address the amortized cost of their hooking up. That is the capability, in effect, that you would be giving us by adopting some language like this to create financial assistance tools that would work for the people.

Assemblyman Goedhart:

This bill on one hand looks as if it is giving you more power to force people to hook up, but on the other hand it is being couched as a financing mechanism to help finance the hookups for these people in existing neighborhoods. That can be done separately. A statutory change giving you more discretion to require people to hook up could be addressed in a separate bill.

Rosemary Menard:

The statutory requirements for people to hook up, whether from the State Engineer's Office or the Washoe County Department of Health, have existed for many years and are not affected at all by this language, except that it articulates and adds it into the counties statute of NRS Chapter 244. But it is basically reflective of the current situation.

Assemblyman Bobzien:

I want to thank Commissioner Weber for coming down today and sharing these stories. I think we are sensitive to the call that you are looking for tools to help

people who need assistance, but clearly we have concerns about how to tighten this up. Rosemary, you just made a comment that brought up a whole other set of questions about the surcharge on the existing ratepayers. What assurances do we have that the folks who are actually utilizing whatever financial tools you make available are located only in the service area that is being directly impacted? I would be very nervous about a situation where you place a surcharge on your entire rate base to deal with one situation. You may not plan to do that, but is that specifically prohibited by the language in the amendment?

Rosemary Menard:

It is not prohibited, Mr. Bobzien. If you needed us to say we would prohibit that surcharge on all ratepayers to support this, absolutely, we would put it in the amendment. It is not what our intent is. Many of these homeowners, for example, in the Heppner subdivision and in the Mayberry Ranch Estates situation, might have historically gone to the bank and received a second mortgage to cover this kind of cost. In many cases their housing values are upside down, so they do not have that kind of opportunity. If they had gone to the bank and received a second mortgage, they would pay an additional mortgage payment per month amortized over 20 years. We think we need a mechanism where we could provide assistance to those property owners who might be able to pay a portion of the cost and would not need to amortize the whole amount, and some might be able to pay their on-site costs. In the Heppner situation, the on-site costs, which include running the pipe from the water main and the abandonment of the well, are estimated at around \$8,000 per property. Then the hookup fee is around \$12,500, so that makes a \$20,000 bill, which they might be able to pay some part of, but not all.

What we are really looking for is the ability to take an individual homeowner, see what he can do, and then make adjustments to his bill to reflect his commitment. That is why the language in subsection 4 provides for a lien for the value of the associated costs, so that it is an individual process as opposed to a blanket strategy for dealing with the individual costs, and that might appear as a surcharge on their bill.

Chair Kirkpatrick:

We are trying to be really clear-cut on what the real issues are. I am going to muddy the waters for a minute because I am trying to think long-term. Could your health district come in and say that there was a public health or safety concern and then require hookups? There are a couple of other bills that allow those types of agencies to assess civil penalties. I have tried to look at all the bills to see how they are going to come together. Hypothetically speaking, could your health district then come in and say a person is polluting the

groundwater; and the person says, "I am not, and you cannot make me hook up;" and you tack on civil penalties? Has anyone thought about that?

Rosemary Menard:

I have not thought about that, although it is a really good question. In the Spanish Springs area, the Division of Environmental Protection actually issued the order for us to begin putting in sewers there because of the concern about nitrates. It was not the local health department; it was the state. I guess we could have those kinds of concerns coming from either state or local agencies. Our sense of the situation is, if we have some tools available, we still might run into someone who does not want to hook up. It is an established fact that septic system effluent contains the kind of contaminant that we are concerned about accumulating in the groundwater. In Spanish Springs and some other areas, that is an issue associated with the long-term viability of those resources. I am not seeing an action on the part of the state health department or even Nevada's Division of Environmental Protection (NDEP) to pursue that aggressively at the moment, but the point you are making is going to happen. I think the answer is probably yes.

Bonnie Weber:

I am here because I want to let you know that we are not asking for anyone to be mandated. However, should the health department or State Engineer come in and say that someone cannot drill their well deeper, we need the ability to allow those folks to be able to hook up or drill deeper. The State Engineer has that say.

My point is, not every one of these property owners is going to need this financing tool, but for that person whose well has gone dry, the State Engineer will say he needs to hook up because the line is in front of his home. Some property owners are not working and have no way to hook up. Some folks are in a very serious situation, where if their well is not dry now, they are squeaking by. They have no ability to pay the \$12,500 hookup fee, the \$8,000 for capping the well, and the construction cost of the actual hookup. It is hard for these people during these economic times with no jobs, so they need this ability. That is why I am here, to ask for your help. I know our staff will work to tighten up the language so that those loopholes are fixed.

Chair Kirkpatrick:

Believe me, this Committee wants to help those folks in need. Our job is to be very clear about our future direction and to do what is right for both sides. Does anyone have any questions on section 1? [There were none.] We are now going to move to section 2.

Naomi Duerr, P.G., Director, Truckee River Flood Management Project, Reno, Nevada:

I had the privilege to present to you a couple weeks ago about our program, which is a consortium of Reno, Sparks, Washoe County, and the University of Nevada, Reno. Today I am here on behalf of Washoe County. The focus of the bill before you, particularly in section 2, is allowing the Truckee River Flood Project to pay for nonstructural solutions to flood damage prevention, which include things like home elevations and flood-proofing. We want to do what makes sense for the resources, and for the flooding situation, and to utilize the process that is much less expensive, but we lack the authority to do so. Every few years the Truckee River and its tributaries in northern Nevada overflow and cause widespread flooding, and every ten years or so we have a really big flood. [Read from prepared testimony ([Exhibit E](#)).]

The focus of our plan is that, for at least 120 residents, we are planning to elevate or flood-proof their properties rather than build walls. For commercial buildings in downtown, rather than build big expensive walls we want to flood-proof the building. Many times people actually prefer the flood-proofing because they do not have a big, ugly wall in front of their house. We have learned it is far cheaper too.

This bill is a triple win. One, it will help to achieve a flood-resistant community that is less prone to emergencies and the bailouts that we have come to expect. Two, we will have an opportunity to implement the best practices in our field. The projects are a lot smaller and greener, and we are not building in wetlands that we should be protecting with these walls. It also does not harm other people by erecting a wall and pushing the flood onto other peoples' property. It allows the property to flood naturally. Third, the bill provides the ability to protect the public at a far lower cost.

The residents of northern Nevada—some of whom are here today in the audience and looking forward for a chance to speak—are willing to pay for their own flood management. They are willing and are collecting a tax they assessed on themselves, but they want you to help them do this in a more effective, cheaper way. That is the very crux of why we are here. I would feel derelict in my duty if I knew about this tool that could save the taxpayers money but, because of a problem in statute or the constitution, did not bring it to you. I would not have comfort just doing the standard, old, regular thing. With that, I ask you, do not force us to build a flood wall where it is not appropriate. Let us go with the more elegant, cheaper solution that is lying within our grasp. I ask you to help us help ourselves do the right thing and to consider A.B. 54.

Assemblyman Aizley:

Would you explain the process of elevating a building and not building a wall?

Naomi Duerr:

They have been doing this flood-proofing all over the country. For example, I went to New Orleans and saw three styles of elevating buildings. Often they will dig out around the foundation and use hydraulic jacks to jack up the whole building, even if it is a stick-built or brick building on a concrete foundation. It is easier, of course, if it is not built on a concrete foundation, but many of our properties are. They raise the building and develop a new foundation. If the elevation increase is just a couple feet, they will backfill with dirt around the house and raise the driveway up to the garage if that also was elevated. In some situations they will leave the garage at the ground level; it can flood, but the garage does not have to be protected the same way the residence has to be. The residents will elevate the building themselves. That is the process that is most often used.

I am sure you have seen pictures of people moving buildings; they have torn the building away from its foundation and moved it to an entirely different spot. With this process, you can leave the contents in the building, and the people usually have to move out for about two months while the whole reconfiguration of the foundation takes place, and then they move in. What homeowners know then is, instead of being a couple feet below a flood, and having a couple feet of water in their house next time, they will be a couple feet above the flood.

Assemblyman Aizley:

Thank you, but that seems like it is more expensive than building a wall.

Naomi Duerr:

I have had several different consulting firms cost out the options. Elevating costs only about \$100,000 per home; it could be less or more, depending on the situation. Walls are very expensive, and when you have mountain ranges behind the walls and big amounts of drainage coming down behind them, you have a problem called interior drainage. Every time you build a wall to protect water from coming to buildings, you have to deal with the natural rain, like today. If the rain is falling on the ground behind the wall, you have to move that water around the wall. That is why they have to put in drainage systems. The steeper and the bigger the drainage is behind the wall, the more extensive these systems have to be.

As our consultants costed out the wall, and the prices got higher and higher, I said please, go and evaluate elevating the buildings; they do this all over the country. In fact, in most of the programs you are required to look at this first.

With all of the changes, with Hurricane Katrina, with the floods in the Midwest, both the Federal Emergency Management Agency (FEMA) and the Army Corps of Engineers require that every alternative be looked at. Years ago, we should have looked at this procedure, but the plan was developed back in 2000, before the awareness of the technology had grown. It may be intuitive that the prices are different, but the reality is it is a much different story.

Assemblyman Goedhart:

I have a quick question on the elevation of the structures. I know that in different areas of the country they have different types of building styles. They have the perimeter foundation, but what I have often seen up here in northern Nevada is one flat slab. Are you saying that they can elevate even with that one flat slab?

Naomi Duerr:

I went all the way to New Orleans so that I could see this elevating process, so I could assure myself, and if there is another discussion on this, I will bring the pictures that I took of the houses being elevated with their entire slabs. They do it very slow and gently, so as not to crack the foundation, but they do achieve it.

Assemblyman Bobzien:

Thank you, Naomi, for bringing us up to speed on all the different tactics that you are looking at, and I definitely appreciate the holistic approach that the overall flood project takes. In section 2, subsection 2 on page 4 of this amendment, it says, "The county may provide financial assistance to owners of public and private properties located in an area likely to be flooded in order to assist in making such properties impervious or resistant to damage from floods, including flood-proofing or elevating the foundations of such properties," but certainly not limited to those tactics. In the theme of wanting to provide the tools, but also making sure the accountability is built in, I would hate to read in the newspaper a couple years from now that somebody received a big grant to move their house because it was a nicer view further up the embankment from the river. I do not know if there is a way to tighten up this language and to put in some safeguards to relieve what some of the heartburn is going to be on this Committee's part.

Naomi Duerr:

We want to provide any kind of language to specify what we want to accomplish and to discourage what we do not want to accomplish. That would be very welcome, and I would be happy to work on that. In full disclosure, many times houses are moved out of the floodplain. This is a standard technique. In the flood project, we are buying buildings and tearing them down

so that we can restore the floodplain and not have those buildings there anymore. We do not want to put people in harm's way.

Ten years ago, Washoe County bought out a trailer park that was smack-dab in the middle of a floodplain. The county bought all the trailers, and now, ten years later, we are restoring that entire property back to natural floodplain. The trailer park should not have been built there; we understand that. Many of the homes I am speaking about were built before there were any regulations, before there was a Federal Emergency Management Agency (FEMA), before we knew about flood elevations or what they were or how to measure them. So many times it is not the residents' fault that these things are happening; they have just found themselves in a situation.

We have adopted a standard level of protection in our flood project, and we certainly do not want to leave people behind. We do not want to say, "Well, your wall costs too much—just flood." We could build a wall and pay that much, although I would swallow hard doing it, but here is something that works. Ten years ago, when we had the 1997 flood in Douglas County, we developed a program to elevate 20 homes in the Gardnerville Ranchos area that flooded. We knew about this elevating process, and we did it here in Nevada just 20 miles from here.

Elevating is not a radical technology, and it has been done already in our area. If the best course of action is not to elevate or tear down a building, but to move it, then we can do that. I cannot imagine that situation today, but anything is possible. The Federal Emergency Management Agency has done almost twice as many buyouts as elevations. They prefer to simply remove the building. That would cost us a lot more in this particular case. It is the cost-benefit we are looking at. I have looked at what it would cost to buy a typical house in this neighborhood— \$400,000 let us say. It would cost only \$100,000 to do the elevation, but \$60 million to build a wall. My job is to do that detailed analysis and bring to our Committee the most cost-effective and results-driven techniques. We want to make sure that we have the tools in our toolkits, and we can save tremendous amounts of money by going in this direction. Believe me, the plan the Corps of Engineers is considering today shows a wall. We are saying, let us have the authority to do something different, more unique, and more environmentally sensitive.

Assemblyman Bobzien:

Thank you for giving us a window into how expensive this process can get. I can certainly see situations in which it would make sense to move the buildings. The hangup for the Committee is that we know there is another bill coming that deals with the governance; what is missing from this bill is some sort of

accountability or transparency for the process when you make the finding that such a strategy is needed to prevent flooding. Right now it is kind of open. I am guessing that this conversation is going to continue once we have the other bill and can consider the two of them at the same time.

Naomi Duerr:

We consider the two bills to be very separate. We have a very effective flood project today. It is managed by a Flood Project Coordinating Committee that moves all of its actions to the Board of County Commissions. We have the oversight; we have the findings. This particular bill is specific to Washoe County at this time, although it would allow all residents in Washoe County, no matter what city they live in, to participate in a program that you establish. The community I am working with at the moment, Hidden Valley, is half in Washoe County and half in Reno. The residents have already told us that if this bill goes through, we certainly want to work together. We do not want residents in one place who can do it and in another cannot. We want to make sure to cover all residents in Washoe County.

Whether this or the other bill passes or not, there are very different discussion points in both. One is about raising rates and bonds and those kinds of things. This is specifically about getting a tool to do what we are doing today. We are building levees today and want to make sure that, in every instance, we do the right thing. Regardless of how you address the other bill, this is an important toolkit item today. I appreciate that.

Assemblyman Settlemeyer:

The elevating of the 20 homes was done in the Lower Ranchos area of Douglas County. They were mostly homes of higher value right in the middle of a golf course. They had traditional foundations with good footers. There were a certain number of homes in that area, and trying to create a levee would be impossible. Actually, we do have a levee trying to contain the river in that area, but it does not work. The requirement is that no one can have a living area on the lower floor. In other words, if someone is living down in the basement area, and it floods, you are not getting reimbursed this time.

Anyway, I understand Mr. Bobzien's concern about people trying to get a better view. Hopefully we will not have anyone in Incline Village figuring out how to get a better view of Lake Tahoe. Within this amendment it states in section 2, subsection 3, "by ordinance of a financing program under the provisions," so in no way, shape, or form is this giving you additional taxing authority, correct?

Naomi Duerr:

Correct.

Assemblyman Settlemeyer:

This is just using existing funds?

Naomi Duerr:

Yes, using existing funds.

Assemblyman Settlemeyer:

The original bill has absolutely nothing pertaining to flood. Why did this pop up?

Naomi Duerr:

I will tell you exactly why. It came about because the principle and the sections that were being amended in that bill are exactly the same. There is a constitutional requirement or prohibition, if you will, that says you cannot use public funds on private property. Our agencies have the same kind of issues. Whether it is water, septic, or flood, they are all water-related issues, and we are all stymied by the same financing question. This is something we have been working on as a community for a long time, and we had an opportunity in the very same legislation. The issue is identical. The fix is different.

Whether you hook up water or septic systems or deal with a flooding problem it is almost irrelevant, I think. What is important is that we have a resource to protect and to manage public safety. We have tools to do it, and we are all blocked from this one option in cases where it makes more sense. Speaking to some of the issues, the county could often be in a situation of having to deepen its wells or put in an additional, expensive treatment plant because of these failing septic tanks. I think this concept of saving the public dollar and doing what makes sense is what is driving both Rosemary and me to come here today.

Assemblywoman Mastroluca:

Can you explain the criteria that you would use to determine whether someone gets a loan, versus a grant?

Naomi Duerr:

We have not gone that far, but I will explain something about that to you. Our community has accepted the responsibility of providing flood protection at a uniform rate, or base-level flood, to everyone who is in the floodplain—not just vacant properties, but homes, businesses, and commercial structures. This project is being funded generally by our 1/8 cent sales tax, so everyone in the community, even our visitors, is helping us pay for this project. The challenge is, say, if we were to pick a cheaper option for these 50 homes and save \$50 million. I will be honest with you; to then turn around and charge only these 50 people a different amount than all the other people being provided

flood protection, I would be uncomfortable recommending that on an equity basis.

The way I envisioned this working is that I, being a person with many resources, go out and look for a matched amount of financial assistance. One of the places I am going to is FEMA. Since they do this around the country, I plan to ask them to help us here in Washoe County; FEMA requires a 25 percent match for elevating a home. That match can be provided by state or local government or even an individual homeowner. I think it is very appropriate in the cases where we have adopted a baseline-level protection to pay for those things, because the flood project and the taxpayers are getting a huge savings by doing it. The homeowners are allowing us to come on their property, instead of building on our property, to do something that costs less. I think the homeowners are already participating quite a bit with the inconvenience, the moving out, and so on. For this type of home elevation program, I probably would not recommend a loan, but we could consider it. I think we would go ahead and establish that if you gave us the authority, and our board would have to evaluate the conditions under which a loan or a grant would be in order.

I can imagine a loan where someone's property floods, but for flooding far less frequent than on these properties. Let us say they flood in a 200-year flood. They just want that extra level of protection, and we are able to get money from FEMA to help them because FEMA looks at all levels of flooding. Maybe that would be a good scenario where the cost-share would be paid by the homeowner and funded through a loan. I could definitely see that happening. For folks who would be stepping up and helping us save a tremendous amount of money by working on their property, I think from an equity position, you would not want to disadvantage them for doing the right thing.

Assemblywoman Mastroluca:

Would this money cover the cost of them having to move out of their home for two months?

Naomi Duerr:

Yes. The flood project is bound by federal and state law, which you have adopted, that when a government agency does anything with anybody, we have to relocate the people. That is what they do in all these home elevation programs. They move the people out. They often pay their rent, which is at least \$2,000, let us say, for a couple of months. Then they move them back in. It is all incorporated into the entire price. Even with that, because that is not very much money in comparison to \$60 million, it is much cheaper to do it this way.

Assemblywoman Spiegel:

Saturday night I saw a TV show called *When Weather Changed History* about the Galveston, Texas, hurricane and flood of 1900. They actually raised half of the island after the flood—all the streets, all the homes, and all the businesses. It was a pretty amazing feat for more than 100 years ago. I am pretty familiar with the concept. My question is, would this bill cover only private homes and businesses, or will it also cover such things as schools?

Naomi Duerr:

It would cover everything. We already have the authority to work with public agencies and to spend money on public properties. An example is the old Post Office in downtown Reno. It is smack-dab on the river, and it floods. Within our realm, we are allowed to spend dollars on public properties. So we could do the flood-proof for the Old Post Office, which is a historic building, but we could not do the fix for the commercial building next door or the apartment complex down the street. That creates tremendous inequities. I could protect all of those properties by building a wall in front of them at a tremendous price.

Ten years ago, in the flood plan that we adopted, we put in flood-proofing of those buildings, because even then we knew that was a better answer. The group at Hidden Valley represents a newer answer. We did not know that it would be that expensive to build the wall and the levee. Our flood project has another 60-home subdivision, and flood-proofing has been in the plan for ten years. It was not until recently that we realized that we were foreclosed from helping flood-proof these properties. The East Side subdivision has a very similar situation to that of the Gardnerville Ranchos. At the East Side subdivision, where you have people living basically in a bowl, you would have to build a levee around the entire area; they would have a virtual moat around them. With the rain inside, they would be flooded. With the rain outside, they would have issues, so for ten years we have said the right answer is to elevate homes. It was not even a choice. We looked at it and immediately said this is the right thing to do.

Chair Kirkpatrick:

Does anybody else have any questions? How many of these areas could be flood-proofed through redevelopment or sales tax anticipated revenue (STAR) bonds that are already out there? With tax increment financing (TIF), a lot of the commercial buildings could be worked on, because it is an infrastructure piece. Has that ever been explored? That is the whole point of TIF.

Naomi Duerr:

We are looking at just a few commercial buildings. Most of them are in a redevelopment area and probably could be financed that way. The people I am

more concerned about are the homeowners, to be honest with you, because we have financing options for commercial buildings. My focus has been on providing a way out for the homeowners—allowing us to come on their property and do the right thing, rather than build a wall for \$60 million. We convened a stakeholders group in this area, and the residents themselves came in thinking we should have a wall. Some thought we should have a levee, and some said just leave me alone, which is why this is voluntary. If you want to flood, go ahead.

Some people have flooded over and over again, and you will hear from them in a minute. They say, "We cannot take this anymore. We have been moved out of our house for four months since the last flood. It took us \$150,000 just to recuperate, and we still have not emotionally recuperated." Those people are the focus of my attention at the moment. You are absolutely right; there are other financing mechanisms available for some of these other properties.

Chair Kirkpatrick:

Homes in a redevelopment area can be upgraded. That is the whole purpose of redevelopment, to make everything better. How many people will this help? Is this going to help protect 500 people in the whole county who have floods? What is the specific number of people you are trying to help?

Naomi Duerr:

Specifically, I am trying to help about 120 homeowners in two different subdivisions. I am trying to help five buildings in downtown Reno.

Chair Kirkpatrick:

Which we already know could probably be done through STAR bonds or redevelopment.

Naomi Duerr:

Possibly two of them could be done through STAR bonds. One is a public property, and two others are apartment/condo buildings, which I am not sure, are in the district. I would have to check, but it is a possibility. Again, the homeowners would say to us, "You are doing a big flood project—just take care of it." And it is me asking you to please let me do it in a more efficient way.

Chair Kirkpatrick:

I am saying to you that I am trying to make sure we are doing good public policy for the future. I just need some more verification.

Naomi Duerr:

I have each home identified on maps, and I brought the map book with me. Next time I could bring handouts if need be.

Chair Kirkpatrick:

So this is specifically for 120 homes, correct? Okay, and secondly, you and I have discussed this: you do not think that you meet the criteria under the federal stimulus package to make any of this work, correct?

Naomi Duerr:

Actually, I am going to testify on that tomorrow, but we are working very hard with four or five different agencies to look at every kind of opportunity. The Corps of Engineers is very strict, but we have been working with them to get our foot in the door. Since you bring up the economic stimulus package, who would benefit and where would the jobs be developed because of this kind of program? We have the money to do it, and by allowing us to spend it, you are going to put to work a lot of small contractors and small home builders who are some of the hardest-hit people in this economic downturn. This program usually would not pertain to big contractors, big roads, or big levees; this is for a certain segment of the population that is not getting a lot of the help from the economic stimulus package. In our world, it is allowing us to stimulate the economy with money we already have, but we cannot use it for this purpose right now.

Chair Kirkpatrick:

Do not take this the wrong way. I am just trying to ask the hard questions. What is the population of Washoe County?

Naomi Duerr:

It is close to 400,000.

Chair Kirkpatrick:

Would this legislation be ongoing to eternity unless somebody repealed it? So for 120 residents will we need legislation for a very, very long time, or could we expedite the process? Once you put something into statute, it is very hard to get it back out of statute. We have identified our flood areas, and we are not going to continue to build in the wetlands. Is this really a small initial problem?

Naomi Duerr:

Yes.

Chair Kirkpatrick:

Do you think this could be done within two years?

Naomi Duerr:

No.

Chair Kirkpatrick:

Why?

Naomi Duerr:

The Truckee River Flood Project has a construction time frame of 15 years. Now, if you asked me would it be done in 15 years coterminous with the rest of the project, I would have said yes. We might limit the opportunity to participate in the program to something less than that; we could limit it to two years. I have had experience working within these very short time frames, and it takes a little time to start up; it takes time for people to decide whether they want to participate or not. If you are asking for my recommendation, I would recommend that you make the time frame, if you want a time frame, the same as the rest of the project, so that depending on when the dollars become available, they can be used during the period of the construction.

Chair Kirkpatrick:

Of course we want to give you the ability to do that, but I think sometimes we do not think long-term, and you know today if you want to fix this problem. You are saying it is really geared for a small number of people and you have the whole flood project situated, but I could see in ten years there being a whole new set of issues. If that is the case, then we are not doing our job on building and planning to make sure that we avoid this problem in the future. I think that folks deserve that.

Naomi Duerr:

I am very concerned about the development potential within any area where we are building a flood project, and so is the Corps of Engineers. One of the preconditions of moving forward with this project is that our community must adopt a very stringent floodplain regulation. We all want to know that when we build a project it is going to work as it was designed. We do not want new development coming in and increasing flooding somewhere else and reducing the value of the project. That is why for two and a half years we have worked with our communities to adopt regulations throughout the floodplain which require that for any teaspoon of fill you put into that floodplain, you have to excavate a like amount. We recently recommended even more stringent requirements, that excavation has to be close to any fill and must fully compensate for the impact of that fill. I am completely with you, in that I believe in not just solving a particular problem with a structure, but also making sure we have the regulatory and development ordinances in place.

The next thing I want to respond to, Ms. Kirkpatrick, is that you said everybody knows today whether they want to do this or not. I would respectfully beg to differ. Many people who live in such areas are older and sick. Others do not want to be bothered. Some of these people will die in two years, to put it bluntly. Someone may buy their house, and that person may be very interested in elevating the home. The goal of our project is not as a punishment issue, but rather to make sure that we do not continue to have people at risk. Another reason I recommend leaving the period open is if there is a turnaround and the market recovers, people sell, and new people move in. The old people did not care, and the new people may really care. I would like the opportunity to work with them.

Finally, I do not know if this will hurt me or help me, but it is not so much about the residents; it is about all the residents in our community who are paying for this project. I want to save them money. I want to do the right fix. If the right fix was to build the levee, I would be here saying that is the right thing to do, regardless whether it costs \$50 million or \$60 million. But in this case, I have a large public perception issue to overcome. Everybody is not going to want to move out of their house for two months while their home is elevated. This is a challenge. This is not something where you snap your fingers and it happens. So I have had to educate them over the last two years about the value of going this way. My eye is on the ball of saving the overall project dollars. I want to do the right thing. I want to reduce the cost. It is not so much that I am doing this for homeowner A or homeowner B. It is really about a bigger picture and trying to solve the bigger problem.

Chair Kirkpatrick:

Let me give you an example of my bigger picture. In 2005, we had a piece of legislation that we thought was pretty broad. I am talking about the green building issue. In 2007, it went from 2 projects to about 55 projects in the queue, and over half of them were in it for the windfall. I do not know if that is the issue here or not, but there has to be good stewardship, and wise strategies, to know which homes are within the proper building area. If you say that some of these people are going to get grants and they would not even be loans, then where does the accountability come on both sides? I could be the homeowner and I could hold out.

I will give you an example. Years ago, they built the MGM around this one five-acre piece because the owners thought they were going to do better. I am just trying to think long-term. I think that we need to have a plan in place. Regarding redevelopment and STAR bonds, we work very hard to put flood prevention in there, and yet we are not even considering those agencies when we do those projects; and that is where we have the communication error in not

working together. I am not a person to pass legislation in hopes that in 15 years it turned out the way we all had hoped it would. I can tell you that things change. I am trying, for my good conscience, to make sure that this is the right thing in going forward and that it does not become something it was not intended to be.

Naomi Duerr:

We want to be deserving of your belief that we are good stewards. I have committed my entire career to being a good steward of the resources, and that is why they hired me. The people I have hired carry the same responsibility. I would like to ask the Committee if there are things we can do to demonstrate the good stewardship that our community has adopted with the plan we have put together.

I recognize that you have a big responsibility here at the Legislature to ensure the programs you adopt are appropriate, targeted, and not a giveaway or a wasteful expenditure of taxpayers' dollars. I can speak for myself, Rosemary, and many of the managers who I work with in Reno, Sparks, and Washoe County when I say we understand we have a high standard to fulfill and we look forward to the opportunity to do that. I will look at the bill for ways that we could tighten it up, slim it down, target it, and reach the overall goal that we are trying to accomplish, which is to save a lot of dollars.

Chair Kirkpatrick:

I have to think about what could possibly happen ten years from now, when somebody else is sitting in your seat because you have decided to move on.

Naomi Duerr:

That is why I say to, just as Rosemary did, that we want to make sure our programs work too. It would discredit our entire organization if the process was something different from what we said it was. We will come back with some things that may give you the comfort you are looking for regarding the ten years out, the different people, and the what-ifs that you are very good at imagining and that are very realistic.

Chair Kirkpatrick:

I really want you to consider redevelopment or STAR bonds. With that, thank you, and we will move on to our testimony. We have 15 people who would like to speak on this bill, so I will call three of you at a time, and please wait until we can ask questions of all of you. I want to call the folks who are in support of A.B. 54.

Matthew G. Herrick, Private Citizen, Reno, Nevada:

I would like to talk about the experience we have had in Hidden Valley with flooding. My wife and I purchased our house in 2002. At the time we knew the house had flooded in 1997, but we knew that the flood was classified as a 100-year flood event. We thought at the time it was unlikely the house would flood again, so we purchased the house. On New Year's Eve of 2005, our house flooded. When we came back the next day, after the water had receded, we could not believe the damage that was caused. We had flood insurance that covered damage to the structure but no insurance on personal items such as furniture, electronics, beds, clothing, and toys. The most disheartening things we lost were personal, irreplaceable items, including most of our photo albums, our wedding album, and a number of photos we had of our children.

Luckily, my wife's parents lived in town, and they had an extra bedroom we could stay in while repairs were made to the house. I, my wife, our two small children—at the time they were both babies—and two dogs moved into the extra room for four months. At night we had to keep the bedroom door closed so the dogs would not climb on the furniture in the living room. My wife and I joke about the situation now, but at the time we would wake up in the morning, and after having the door closed all night, with two adults, two babies, and two dogs in the room, the one thing we remember is the smell in the bedroom. After four months of repairs and approximately \$80,000, we moved back into our house. Those four months were a very stressful period and something that I would not want any young family to have to live through.

After the flood event, we came to learn that our house was built in 1963 and had previously flooded five times. When we purchased it in 2002, we were informed only of the recent flood. Each time the house had flooded, a substantial amount of money had to be spent on repairs. I stand here today, as a representative of the homeowners of Hidden Valley, to help address the problem of flooding issues in our neighborhood. If flood-proofing of homes is completed, then no family will have to experience the story I just told. If flood-proofing of homes is not completed, it will not be a question of if, but when the next big flood occurs; we will flood again. I am here today not asking for money, but rather that you make the right decision and vote yes on A.B. 54, so we can use our money to fix our problem.

Roger Jewett, Private Citizen, Reno, Nevada:

I am here to represent many of the homeowners in Hidden Valley in the neighborhood where I live. We need your help. We are not here asking for money, but for your help to access the monies that have already been collected. My property is in the area that was flooded in 1997 and then again in 2005. I have been working on the flood control team as a stakeholder with Naomi Duerr

and the rest of her folks, and we have looked at various options to resolve the issue in that neighborhood. The original plan was to build the levee, and then the suggestion was to build a wall; both were determined to have a negative impact on the neighborhood and also be very expensive.

Flood-proofing or elevating the properties, appears to be a less expensive solution and it would help us greatly. We need your help to access the monies that were collected through our sales tax. We are already paying that sales tax, and we need the ability to use that money to fix our flooding problem. I request your support on A.B 54, which declares flood-proofing or home elevation or non-structural alternatives as a public purpose. Without the bill we will flood again and probably soon. As the rain comes down today and the snow melts, it puts too much water into the floodplain to be handled effectively at one time.

Chair Kirkpatrick:

Do you two gentlemen understand what we are trying to do to make sure the bill is so tight that it does not get used for who knows what? I hope we as a Committee have made that clear as to why we try to narrow the language.

Matthew G. Herrick:

I understand where you are coming from, but I am a bit frustrated because the flood committee has been working on this project for 12 years, and I come here today and hear that there are problems and people are still not completely on board with moving forward. My major concern is how long are we going to continue to study this? In my opinion, we need to take action and not continue to push things into the future.

Chair Kirkpatrick:

This is the first time I have ever seen this legislation before our Committee. Do you think having a two-year window, where people could sign up or not, would work? I am a little bit nervous that we could pass this legislation and it would still take 15 more years to get done. Has there been any commitment to you that if this passes it is going to happen any faster? You two gentlemen could send me an email later or tell me what you think, but my concern is what if we pass legislation and it still does not happen right away.

Matthew G. Herrick:

Nothing is guaranteed, but I think this is an important piece of a puzzle that needs to come together for us to get immediate assistance in Hidden Valley.

Roger Jewett:

It is usually the older homes that get flooded out there. They were built in the 1960s and 1970s. As new construction happened, homes were built at a higher level. So, you are not going to get anybody building in the floodplain because there is nothing left to build on out there. A two- or three-year period might work. Everyone who has lived there for several years is somewhat stuck, I think, because we cannot move on until we resolve the flood issue in our neighborhood. In a couple of years' time I think either everyone will be committed to joining the program, or it will be the "leave me alone" response, one or the other.

Chair Kirkpatrick:

Maybe one of the safeguards is to say that the homes built before this date or time frame could qualify within this time period.

Assemblyman Settlemeyer:

How did you find out that your home flooded that many times? How were you able to obtain that information?

Matthew G. Herrick:

That is an estimate based on a review of similar floods. I spoke with Naomi Duerr and learned there was a flood in the 1980s and X number of floods in the 1970s. The estimate was based on the magnitude of the flood we experienced three years ago.

Assemblyman Settlemeyer:

I appreciate that information because we should have full disclosure, so that people are not buying flood-prone homes without prior knowledge. As we all know, these 100-year floods happen a little more frequently than every 100 years. Regarding this bill, I am always a little nervous about what I consider to be "legimatic" bills, bills that come to us as one thing and then, all of a sudden, there is an amendment the day you walk in. That always makes me a little cautious.

Roger Jewett:

I would like to respond. I am a realtor and we are required to obtain from each seller a full-disclosure statement on what they know about the property. As I understand it, my house only flooded in 1997 and again in 2005.

Chair Kirkpatrick:

Does anyone else have any questions? [There were none.] Thank you for coming. Mr. Settelmeyer, for the record, they did give me the amendment. They have been working on it because, they say, the bill did not reflect the intent. The first day that the bill dropped I received over 300 emails, and they said they were working on an amendment. It is a large amendment, which pretty much guts the bill and starts over. So, in all fairness to them, they did tell me about it from the day the bill dropped. Is there anybody else who would like to testify in support of A.B. 54? [There were none.] Is there anyone opposed to A.B. 54?

David Emme, Private Citizen, Washoe County, Nevada:

I want to thank Washoe County for dramatically revising the original bill; it caused a lot of concern for people. It is hard to come out against financial assistance, but I do have concerns, some of which have already been brought up. I think that the language is a little too broad. The reference to making a finding related to public health, safety, and welfare I think is too broad; that could be addressed by cross-referencing existing law. So that would be an improvement. This proposed amendment does not really develop a financial assistance program, and I am concerned this could be offered as a limited-time offer. If a single source of funding was developed that was limited in time, it could have a coercive effect on homeowners, that they may have to take this connect and this subsidy in a one-time manner or lose out on that subsidy in the future. There is really no program here. It needs to be a lot more specific to add some comfort that, yes, this is going to be available into the future.

It seems to me there is another solution, and that is to address the issue of the cost of connection by looking at the connection fees that the county is charging. As I understand it, the hookup fee is a flat \$12,500 and covers the majority of the cost of connecting to the public system. I know there is an issue with equity between new development and existing homeowners, but the fact is that it is not practical to charge the same fee across the board. I know it is a matter for the Washoe County Board of Commissioners to consider, but they could adjust the connection fees to perhaps provide a waiver for some low-income people, or an adjustment on the basis of whether it is an existing home or new development. I throw that out as an alternative to the idea of the county administering 5,000 loans with individual homeowners to subsidize or provide financing for connection. That just seems like a lot of work.

Pat Phillips, Private Citizen, Reno, Nevada:

I prepared a speech to read before I heard all of your questions and comments, so it may duplicate some of that. Have you ever had a person give you a compliment that made you feel so good, and then he added the dreaded word "but," and you knew that it was going to get really bad? That is how I felt when I read this bill. At first I thought they are not going to make me hook up my ranch to municipal water and septic. Then I read the mandated "if" and knew it was going to get bad.

When you read the bill draft in Washoe County's proposed amendment, you need to pay special attention to several details. The first one is the Washoe County Government Affairs legislative update and press release that emphasizes that the proposed amendment to A.B. 54 was made to clarify that the conversion was not mandatory. The press release headlined that the revised bill language "ensures county cannot force conversions." In fact, the bill proceeds to focus on the cases when the county can require or mandate the conversions. Conversions are mandated when (a) it is desired by the homeowners, or (b) it is required by a state or local regulatory agency when public health, safety, or welfare is threatened. Require is a synonym for mandate.

Please note that the white paper presented to you states "causes for action include depleted water tables, water quality problems caused by levels of nitrate, arsenic, uranium and other contaminants, groundwater and or surface water contamination with septic tanks." This wording does not provide measurable or objective standards. This is very broad, generalized wording that does not state if it allows appeals or the fact that it may be caused by overdevelopment and will force rural areas that depend on well water and septic tanks to connect to municipal services.

If water quality is reduced because of a county, city, or state action, the property owner should not be assessed, taxed, impacted, or fined. We live in an area that has never had any problem with septic tanks or wells, except when new wells or pumps, usually municipal from a long way away, have been drilled or installed. I was recently informed by a county employee that we might be required to connect to municipal services, even though we live in the far south of town within the county. The sweeping aspects of this bill scare me. What about the people who have purchased water rights? I thought I would show you that I am way down south here on the map ([Exhibit D](#)). We are within the county.

The second issue is emphasized by the same statements. The county highlights that A.B. 54 enables the county to develop and distribute grants and other sources of funds to help mitigate the cost to property owners. However, if you read the actual bill and amendment, there are many repeated statements such as the need for additional funding mechanisms and strategies and that some of these approaches may be appropriate to consider as tools to assist local governments and citizens. These include annual tax levies, special assessments, impact fees, and connection fees. Does this mean that the homeowner must pay for the entire system? It is not clarified. Is it just the physical pipes that go over, through, and under any county street, alley, court, passageway, other public highway, right-of-way, easement, or other alley?

A county employee told me that they would have to cross one creek, three irrigation ditches, and a floodplain to get the water to us, but it would still be considered. Much of the amendment consists of descriptions of fines and liens against property owners and the property itself. In fact, when you print it from the computer, there are four pages of these descriptions of the liens, fines, interest, and penalties. I know the county does not have the money, and the grants will not cover the well and septic conversions. Much of the money will result in loans that the property owners will be forced to pay back. Also, there is no promise that the property owner will even be able to get that loan.

We bought our property 25 years ago. We bought it because it had well water and we could grow a lot of our food, which we do. So it is very agricultural. I feel that the county is avoiding using the term "eminent domain" with this amendment. They say that this is not mandatory and is funded, but in reality, the broad description allows the county water authority full mechanisms to accomplish this same takeover, and makes it appear well funded, when it is actually a loan that the property owner will have to pay back.

I feel that the county imposing costs on property owners will result in further financial ruin for the housing market, economic development, and the well-being of the state. In the past few days I have had more phone calls, emails, and conversations from scared property owners than on any other issue that affects property rights. The feeling is that this is a way of getting around the petitions and the voters' choice to restrict building to available water. By taking away wells, especially in the rural and ranch areas, there will be more water for high-density development. I ask you not to allow this bill to proceed out of Committee. I feel that the first and second parts in some ways need to be separated, so that there will be allowances for the floodplains. This bill does not do what it says it was written for.

Patrick T. Sanderson, Private Citizen, Carson Valley, Nevada:

In 1984 I moved to Douglas County to the home that I live in now. The home cost \$80,000, and we were in a secluded area. Prior to that, a general improvement district bought all the land around us, but the original owners of the Indian Hills subdivision decided not to join the general improvement district. Right after we moved there the county said they wanted us to join their water system. We had our own water system at that time, so we decided against it. They told us it would cost us \$40,000 to hook up to the water system. My house cost \$80,000. A few years later the hookup dropped to \$20,000, and a few years later to \$10,000.

We are also on septic systems on half-acre lots, and there is no problem. People do not seem to understand the common sense of owning a septic system. When you have a septic system it is easy to maintain if it is put in properly and sized for the number of people living there. In 25 years we have had our septic tank pumped out twice—this was after a weeklong family reunion with 25 people staying at our house, so something had to give. But never did we have to redo our leach fields or our septic lines.

At this time, if you read the language in A.B. 54, it is way too broad. Anything can be related to the public health, safety, and general welfare. You can read this and see where the problems are because, basically, there is a hidden agenda in there that is trying to make things happen for one reason or another. I am speaking only to section 1 of A.B. 54, not the flood section.

In our area, they wound up getting grants. They converted to city sewer one block at a time, and we did not have any problems. It took six years to get the project done, but we had grants to take care of it. Instead of that \$40,000, it did not cost us anything.

Because of new federal restrictions, we eventually sold our water rights to the county. At the time we did not realize they were going to put in a new shopping center and a new subdivision across the street, and the only way they could have the water to do that was if they took our water and added another well. No matter what you do, there is a hidden agenda in there somewhere. It is not just because having nitrates in the ground is bad; it is because there is an overall plan to make these things change. If you allow this bill to be this broad, they will be able to do this at any time.

In our subdivision, as in Washoe County, there are trailers, homes, and ranches. You cannot have one law that takes care of everyone. We started out paying \$14 every month for any amount of water we wanted to use; a few years later we had water meters, and now they tell us we have arsenic in our water, so

they are going to have to improve the water system, and it is going to go up another \$30. I found that if you add a little whiskey to the arsenic, it is really not all that bad. We needed a little humor to this.

Chair Kirkpatrick:

If you can get that through the Health and Human Services Committee, more power to you.

Patrick T. Sanderson:

Please take a look at this bill and tighten it up; common sense is common sense. Basically, the developers came in and built properties that they knew were in flood plains, and that got us into this position.

Chair Kirkpatrick:

Are there any questions? [There were none.] Is there anybody else who would like to testify in opposition? Ms. Price, can you summarize your handout? We definitely want your input.

Meg Price, Private Citizen, Reno, Nevada:

I emailed each of you over the weekend and also gave you a copy of this information this morning ([Exhibit F](#)). Unfortunately, it was not until I walked in this morning that I found out about the amendment, so the objection in the information was actually to the original bill, not to the amendment that is before you today.

I will make just a couple of comments. In 2004, when Washoe County was bringing their water in Callahan Ranch, I was unaware of that work until my well started spitting sand in the air. At that time, we appealed to get our well deepened, and it was denied because the county was going to have water to our home by August 2004. In August I was informed by the county that they would not be able to get us water until possibly October, maybe December. We could not wait that long, so I went back to the State Engineer, and he then reversed his decision and allowed us to drill and deepen our well.

I would suggest that happened with at least 20 to 25 properties in our area. The county-water infrastructure is all there, but there is nobody hooked up to it. It cost me \$12,000 to redrill the well; we refinanced our house to do it. To hook up, it would cost us the hookup fees, and we would have to abandon our well at a cost of \$20 per foot; our well is now at 350 feet, so that is about \$7,000 right there. At our own cost, by the way, we put in a stilling well, which allows Washoe County to monitor our water and the well. At our own cost, we annually have our water tested, and there are no nitrates. We have no

problem with water up there. The University of Nevada, Reno people keep telling us that the water is great, so I see no reason to do anything differently.

The bill's language bothers me in that we could, at some point, be required to hook up. If this was a financial thing, I would have no problem with it. I was told back in 2004 that there was help, but there really was not. Nobody knew how it worked. There was no process or procedure, so there was not any assistance for us; so we just did it, because we needed water. We had to replace different water-using items, like our washing machine and water tanks, because they got ruined. It has a trickle-down effect. I would agree with Assemblyman Goedhart that if this bill separated the financial aspect from the hookup requirement, I would have no problem. I am not speaking against or for section 2, because I do not have enough information on that part of the amendment.

Alan T. Power, Private Citizen, Reno, Nevada:

I live in the Callahan Ranch area off of the Mount Rose Highway. I am on a domestic well and a septic tank, and I am concerned about two things in A.B. 54. I would like some clarification on the "general welfare" language, which seems a little vague, and the "is otherwise required" language within the bill, which I think could be defined better. I do not want to be compelled to hook up. I spent \$9,000 to deepen my well, and I have great water and no problem with my septic. I really took offense to the original bill. I can live with most of this, but I do not want to be compelled.

John C. Sagebiel, Private Citizen, Reno, Nevada:

I have a Ph.D. in environmental science, and I work at the University of Nevada, Reno, but I am not speaking for them. I am speaking for myself. I have quite a bit of background and experience in this matter. I built my home very carefully as an environmentally and ecologically friendly home and have invested a lot of extra money in a different kind of well extraction system. I run a 100 percent solar-powered well pump, and I have a bunch of other features that cost me a lot more than if I had built a conventional system, but it is gentler on the resource and, I trust, will last longer. The idea of being compelled to give up what I consider to be a model way of treating water resources really offends me.

I also have what I believe is the first and possibly only permanent gray-water system in Washoe County, which allows me to use the water out of sinks and showers as landscaping water. I do not know if the sewer hookup would require me to abandon that system, which was also expensive. My septic system receives almost no discharge, because most of it goes into my gray-water system as recycled.

This morning I saw the amendment of the bill; some of my concerns were based on the original bill. I appreciate all the comments that the Committee has made. As the other folks here stated, this bill needs to be better defined, better focused, and much cleaner and clearer, and I recommend that you ask for those clarifications before moving forward, at least on section 1 of A.B. 54. There does always seem to be something else going on behind the scenes. Again, I am not speaking to section 2 of the bill.

Chair Kirkpatrick:

Does anybody have any other questions or comments? [There were none.] Is there anybody else who would like to testify in opposition of A.B. 54? [There were none.] Is there anybody who is neutral? [There were none.] There was an oversight. I missed one person who is in support of A.B. 54.

Gregory A. Salter, Deputy District Attorney, Washoe County District Attorney's Office, Reno, Nevada:

I am a Deputy District Attorney for Washoe County, and I was the person who drafted section 2 of A.B. 54, so I am here to support Naomi Duerr. If we do need to make some changes, I am here and ready to offer any changes to solve some of the problems that you brought up.

Chair Kirkpatrick:

I think it was good that you came today to hear some of our concerns. Is there anybody else who would like to speak on A.B. 54? [There were none.] With that I am going to close the public hearing on A.B. 54. For the Committee, I have asked Susan Scholley to look into whether, as a homeowners association, residents could apply for community grants through the county, or federal grants, or United Way grants that might help them move a little faster. Susan is going to get us some information on it.

Regarding grants, my husband and I own a piece of property in Utah. We had to restore the whole river along the property we own, and our cost was going to be \$18,000 apiece. However, through our homeowners association we were allowed to apply for a United Way grant. It ended up saving us a lot of money, and the project was done very fast because there was a quick timeline to meet these grants. So Susan will see if they might have the ability to do something like that to help the process.

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Is there anybody else who would like to testify? [There was none.] Is there any public comment? [There was none.] With that, are there any other comments from the Committee? [There were none.]

Meeting adjourned [at 10:26 a.m.].

RESPECTFULLY SUBMITTED:

Michelle Smothers
Committee Secretary

APPROVED BY:

Assemblywoman Marilyn K. Kirkpatrick, Chair

DATE: _____

EXHIBITS

Committee Name: Committee on Government Affairs

Date: March 3, 2009

Time of Meeting: 8:01 a.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
A.B. 54	C	John Slaughter, Washoe County	Proposed Amendment and Legislative Update
A.B. 54	D	Rosemary Menard, Dept. of Water Resources, Washoe County	Map of Heppner Subdivision
A.B. 54	E	Naomi Duerr, Truckee River Flood Management Project	Prepared Testimony, Letter, and Guidelines
A.B. 54	F	Meg Price and Craig W. Park, Private Citizens	Prepared Testimony