

**EXECUTIVE AGENCY**  
**FISCAL NOTE**

AGENCY'S ESTIMATES

Date Prepared: April 1, 2015

Agency Submitting: Colorado River Commission of Nevada

<b>Items of Revenue or Expense, or Both</b>	<b>Fiscal Year 2014-15</b>	<b>Fiscal Year 2015-16</b>	<b>Fiscal Year 2016-17</b>	<b>Effect on Future Biennia</b>
Salary Expense (Expense)		\$75,000	\$150,000	\$300,000
Contract Expense (Expense)		\$25,000	\$50,000	\$100,000
Total	0	\$100,000	\$200,000	\$400,000

Explanation

(Use Additional Sheets of Attachments, if required)

This creation of the Council in itself would cost the agency nothing, but the regulations required of the Council are expected to have impact on the operating costs of the agency. As the BDR is not specific on the exact regulations the expected cost to the agency is difficult to calculate, but as there will be costs involved an estimate is provided. We expect that the regulations will take some time to develop, so the full costs involved are not expected until Fiscal 2017. Estimates for Fiscal 2016 are half of the full costs. See the attached document for the cost development information.

Name Douglas Beatty

Title Admin. Services Officer

**DEPARTMENT OF ADMINISTRATION'S COMMENTS**

The agency's response appears reasonable.

Date Thursday, March 19, 2015

Name James R. Wells, CPA

Title Interim Director

## **FISCAL IMPACT STATEMENT ON BDR 40-439**

Submitted By: Douglas Beatty, Chief Administrative Officer  
(702) 486-2688 or [dbeatty@crc.nv.gov](mailto:dbeatty@crc.nv.gov)

The Colorado River Commission of Nevada (CRC) has reviewed this BDR to attempt to determine its fiscal impact over the coming 5 years. The CRC respectfully submits:

- 1) This BDR is a skeleton bill draft which would create new, potentially wide-ranging obligations for state and local governmental entities to evaluate any “agency action” to determine its potential impact on the environment, an analysis which could lead to a required environmental impact statement process similar to that currently in effect under the federal National Environmental Policy Act.
- 2) The bill leaves most of the details and definitional structure to future regulations which would be promulgated making it impossible to determine finitely the exact scope, burden and likely cost of this legislation.
- 3) The CRC built, owns, operates and maintains about 230 miles of high-voltage and distribution-voltage electrical facilities in Clark County, along with 17 related electrical substations and provides similar services to 13 electrical facilities owned by local governmental and other entities. The required operation, inspection, maintenance, repair, replacement and routine testing of all of these facilities requires frequent and often unscheduled access to these locations, many of which are located outside the greater Las Vegas Valley, and accessed over unimproved roads. Periodically, the CRC also constructs new facilities to fulfill its statutory and contractual responsibilities and constructs new facilities for local governmental entities. The CRC is a member-agency of the Silver State Energy Association which is in the pre-development stage for a potential new 230,000 volt transmission line to be located to the east and north of the Las Vegas valley.
- 4) Since the language of BDR 40-439 is so broad and general it is not possible to determine exactly which of the activities briefly summarized above would be affected by its passage and to what extent.
- 5) Based on the CRC’s past experience complying with the federal NEPA, particularly with reference to water facilities, the CRC believes the following fiscal impacts are reasonably to be expected:
  - a. The CRC would need to hire at least one new environmental position as a permanent employee to perform the tracking and analysis of its planned “agency actions” to make initial determinations called for under the legislation and determine which may require more in-depth environmental analysis.
  - b. It is likely that any agency action which requires the more extensive analysis and evaluation required for an environmental impact statement would also necessitate hiring of one or more environmental consultants on a contract basis. The CRC is a small organization (fewer than 40 employees) and could not justify hiring the potentially required types of environmental expertise as permanent employees.
  - c. With the qualifying statements above in mind, the CRC’s estimate of the cost impact over the coming 5 years would be:
    - i. \$750,000 for a new environmental position (\$150,000 x 5),
    - ii. \$50,000 to \$300,000 for environmental consultant contracts
    - iii. For a total estimate over 5 years of \$800,000 to \$1,050,000.