

**LOCAL GOVERNMENT
FISCAL NOTE**

AGENCY'S ESTIMATES

Date Prepared: April 3, 2015

Agency Submitting: Local Government

Items of Revenue or Expense, or Both	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17	Effect on Future Biennia
Total	0	0	0	0

Explanation

(Use Additional Sheets of Attachments, if required)

See attached.

Name Michael Nakamoto

Title Deputy Fiscal Analyst

The following responses from local governments were compiled by the Fiscal Analysis Division. The Fiscal Analysis Division can neither verify nor comment on the figures provided by the individual local governments.

Local Government Responses
S.B. 277 / BDR 40 - 439

City/County: **Boulder City**

Approved by: Brok Armantrout, Community Development Director

Comment: Passage of the Bill will require the City to hire at least additional professional staff member to process all compliance reports as contemplated by the Bill. Additional costs that cannot be quantified at this time, such as for outside consultant contracts to perform the required studies, or for temporary contract office staff assistance, will negatively impact the city.

Additional impacts related to potential loss of income due to cancelled land leases of city-owned land can exceed millions of dollars in lost general fund revenue for future fiscal years.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$70,000	\$71,400	\$73,000

City/County: **City of Henderson**

Approved by: Mike Cathcart, Business Operations Manager

Comment: The fiscal impact of this legislation on the City of Henderson would include two full-time positions with a salaries and benefits total of \$260,000, part-time administrative support with a total of \$100,000 and city attorney and city clerk hours totaling \$100,000. Also, the two full-time positions would need vehicles at a total of \$60,000. Some of this cost may be able to recovered through fees when the analysis is being completed on a private project.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$520,000	\$460,000	\$920,000

City/County: **City of Las Vegas**

Approved by: Michelle Thackston, Administrative Secretary

Comment: The process the bill creates is a very rigorous process that adds significant time and costs to capital and development projects. In some cases project costs can double due to these requirements. Additional project costs would include, but not be limited to, permit fees, additional staff resources, and Capital Improvement Project (CIP) delays. The costs are hard to determine but we estimate an annual impact of at least \$45,000,000. In addition, there will be administrative and staffing costs estimated at a minimum \$85,000 per year to assist in the implementation of this bill.

It's important to point out that this bill can have a huge impact on development and the economic health of this community. Regulations this bill proposes are expensive to the both public and private sectors. They can add hundreds of thousands of dollars to the public/private partnership approach to development and greatly extend the time frames and steps needed to achieve required approvals for development. This will negatively impact Nevada and every local community's ability to attract new business and encourage the growth and expansion of existing business, thus costing the State and the City of Las Vegas considerable tax revenue, not only in the next three years but far into the future.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$0	\$0	\$0

City/County: City of Reno Approved by: Ryan High, Budget/Strat. Initiatives Mgr. Comment: After initial review, an accurate fiscal impact cannot be determined by the City of Reno. More specific language is needed in defining what types of proposed actions significantly affect the quality of the environment to trigger the requirements to prepare assessments and impact statements.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

City/County: City of Sparks Approved by: Jeff Cronk, Financial Services Director Comment: No Impact				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: Carson City Approved by: Nickolas A. Providenti, Finance Director Comment: We estimate that Carson City would have to hire 2 additional FTE's at a fiscal impact of \$200,000 per year.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$200,000	\$200,000	\$400,000

City/County: Churchill County Approved by: Eleanor Lockwood, County Manager Comment: The passage of BDR 40-439 would severely impede projects both financially and with the amount of time required to complete a project. Churchill County does not currently have an environmental department, therefore, to comply with the requirements of BDR 40-439, a consultant would need to be hired and the cost would be passed on to the project proponent or developer. The estimated cost of each EA / EIS is approximately \$50,000. The total fiscal impact would be dependent on the number of EAs / EISs in that year. Additionally, the environmental assessments will be required to be filed with the Council on Environmental Quality, who could potentially deny a project that is very important to a local jurisdiction's economy. With the financial impacts and potential negative impacts to economic development, Churchill County does not support BDR 40-439.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$50,000	\$50,000	\$50,000	\$50,000

City/County: **Clark County**

Approved by: David Dobrzynski, Assistant Director of Finance

Comment: Fiscal impact not determined. This bill would affect projects or activities of the following departments: Department of Comprehensive Planning, Building and Fire Prevention, Water Reclamation, Air Quality and the Airport. Adding another level of oversight will slow down local government project development and add an undetermined amount of addition cost. How much time and whether additional staff is needed is unknown.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

City/County: **Elko County**

Approved by: Cash A. Minor, Assistant County Manager/CFO

Comment: Will have impact but unable to quantify at this time.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$0	\$0	\$0

City/County: **Douglas County**

Approved by: Mimi Moss, Community Dev. Director

Comment: The fiscal impact is the additional costs to county projects, private projects, and staffing levels. Projects could be delayed due to additional funding needed to complete Capital Improvement Projects initiated by the County. Private development would bear the cost and time delays for the level of environmental review needed for each project or action.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$300,000	\$500,000	\$3

City/County: **Humboldt County**

Approved by: Sondra Schmidt, Comptroller

Comment: Could have significant impact to Humboldt County but cannot determine what those costs would be.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$0	\$0	\$0

City/County: **Washoe County**

Approved by: Liane Lee, Government Affairs Manager

Comment: The bill would have significant impacts on both our Environmental Health Division as well as our Planning and Development division. The most significant impact is on the Environmental Health Division where we will have to impose new requirements on ourselves and our regulated facilities before we issue or renew any permit to operate, approve any development or construction activity. It will extend the time it takes to approve any of the above, some new developments may take years to approve. It is estimated Environmental Health will need 7 additional staff. The Planning and Development Division is not clear from the language when an Environmental Permit would be required and when the County would become the lead agency for the processing of the permit. Our fiscal impact is our best estimate given the information available. The fiscal impact is based on new employee costs as well as noticing fees.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$846,415	\$846,415	\$1,693,000

City/County: **White Pine County**

Approved by: Elizabeth Frances, Finance Director

Comment: The County will have to review its regulations, planning and programs to ensure compliance with the new Council on Environmental Quality (CEQ) regulations. Also, the County will be required to submit environmental assessments on all projects to the CEQ as they might mandate in there regulations, publish it on a website, advertise it in the newspaper, provide it to all persons so requesting, solicit comments, hold a public hearing which will also require advertising, write follow-up reports based on public comment, prepare revised reports when necessary, implement enforceable mitigation measures and deal with potential judicial review. This may result in delaying necessary projects months or years. The costs cannot currently be estimated as the BDR does not provide specifics on what the regulations of the CEQ might be. However, they would be significant and result in adverse impact to the County.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$0	\$0	\$0

City/County: **Las Vegas Metropolitan Police Department**

Approved by: Rich Hoggan, Chief Financial Officer

Comment: The fiscal impact of this measure cannot be determined without knowledge of the specific regulatory requirements. However, there is little doubt that the burden of complying with additional requirements for yet undetermined project types will be costly. Additional funds will need to be spent to retain an environmental specialist to analyze projects, and prepare reports in keeping with regulatory requirements. Governments will also experience significant time delays since for each project, entities will need to retain an environmental consultant, complete the assessment, prepare the report, and submit the report for review by the Committee under the occasional meeting schedule, and await/respond to Committee direction. These delays along with conformity to any environmental requirement above federal law yet to be defined in regulation will increase costs to entities.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: **Carson City School District**

Approved by: Andrew J Feuling, Director of Fiscal Services

Comment: I would assume that creating a Council on Environmental Quality would need to be funded by state government dollars which otherwise could go toward, or be taken away from, public education. There is no way to gauge that impact however.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: **Clark County School District**

Approved by: Nikki Thorn, Deputy CFO

Comment: CCSD does expect this bill to have impact. Although there are certain procedures that remain to be developed, the time that would be needed to dedicate to documenting this entire process would require an additional staff to the Environmental Unit as well as to develop a new database, website, and tracking system for any and all construction projects that may have environmental impact. A single point of contact would be needed to work with the other agencies, CCSD capital planning group, as well as the Council, to ensure all documents were submitted in the timeline indicated. A process would need to be developed to advertise the information and solicit public comment as well as conduct public meetings. This could mean a 6 month delay in starting work on any construction project, depending on the time in which it takes to receive approval to proceed. CCSD anticipates the need for additional staff and equipment necessary to conduct the actual site inspections and to prepare the documentation. There could also be instances in which it would be necessary to hire a specialist to address unique concerns. Estimated fiscal impact is \$300,000 for 3 FTE positions including benefits, equipment, and software to start-up. Annual on-going expense estimated at a minimum of \$100,000.

Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$300,000	\$100,000	\$200,000

School District: Douglas County School District Approved by: HOLLY LUNA, CFO, BUSINESS SERVICES Comment: It is likely that if approved, this BDR would affect the district organizationally, and require revisions of current processes, as well as likely having fiscal impact due to scheduling delays and additional procedures / requirements. However, there is not sufficient information to determine or calculate the fiscal effects or to provide a meaningful or substantial submittal on behalf of the school district.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: Esmeralda County School District Approved by: Monie L. Byers, Superintendent Comment: No Impact				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
No Impact	\$0	\$0	\$0	\$0

School District: Humboldt County School District Approved by: David Jensen, Superintendent Comment: No Impact				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
No Impact	\$0	\$0	\$0	\$0

School District: Lincoln County School District Approved by: Steve Hansen, Superintendent Comment: No fiscal impact determined for Lincoln County School District.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
No Impact	\$0	\$0	\$0	\$0

School District: Lyon County School District Approved by: Philip Cowee, Director of Finance Comment: BDR 40-439 would have fiscal impacts as the need arises to complete a project that would require the district to prepare environmental reports that analyze the environmental impacts. Adding another level of regulation could have greater impacts besides just fiscal.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$0	\$0	\$0

School District: Nye County School District Approved by: Kerry Paniagua, Executive Secretary Comment: Unable to tell from BDR what the fiscal impact will be to future developments.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: Pershing County School District Approved by: Dan Fox, Superintendent Comment: It would have an fiscal impact on the district, but we are not in a position to determine how much that might be.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$0	\$0	\$0

School District: Storey County School District Approved by: Robert Slaby, Superintendent Comment: Cost of reports?				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$0	\$0	\$0

School District: Washoe County School District Approved by: Lindsay E. Anderson, Director of Government Affairs Comment: No Impact				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
No Impact	\$0	\$0	\$0	\$0

School District: White Pine County School District Approved by: Paul Johnson, CFO Comment: Impact cannot be determined at this time. Any impact would be contingent upon the nature and scope of any environmental regulations subsequently adopted and the need for environmental reports, mitigation, etc...				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

The following cities, counties and school districts did not provide a response: City of Elko, City of Mesquite, City of North Las Vegas, Eureka County, Esmeralda County, Lincoln County, Lander County, Lyon County, Mineral County, Pershing County, Nye County, Storey County, Churchill County School District, Elko County School District, Eureka County School District, Lander County School District, and Mineral County School District.