MINUTES OF THE SENATE COMMITTEE ON GOVERNMENT AFFAIRS

Seventy-Eighth Session April 6, 2015

The Senate Committee on Government Affairs was called to order by Chair Pete Goicoechea at 12:20 p.m. on Monday, April 6, 2015, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4404B of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Exhibit A is the Agenda. Exhibit B is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Pete Goicoechea, Chair Senator Joe P. Hardy, Vice Chair Senator David R. Parks Senator Kelvin Atkinson

COMMITTEE MEMBERS ABSENT:

Senator Mark Lipparelli (Excused)

GUEST LEGISLATORS PRESENT:

Senator Ben Kieckhefer, Senatorial District No. 16

STAFF MEMBERS PRESENT:

Jennifer Ruedy, Policy Analyst Heidi Chlarson, Counsel Darlene Velicki, Committee Secretary

OTHERS PRESENT:

Zev Kaplan, Keolis Transit America; MV Transportation, Inc.Lee Gibson, Executive Director, Regional Transportation Commission, Washoe CountyGraham Galloway, Nevada Justice Association

Marsha Berkbigler, Chair, Board of Commissioners, Washoe County; Chair, Board of Fire Commissioners, Truckee Meadows Fire Protection District and Sierra Fire Protection District

Bob Lucey, Board of Commissioners, Washoe County

Charles Moore, Chief, Sierra Fire Protection District and Truckee Meadows Fire Protection District, Washoe County

Cliff Low

Jane Countryman

Betty Hicks

Tom Judy

Malachy Horan

Scott Gilles, Office of the City Manager, City of Reno

Hillary Schieve, Mayor, City of Reno

Michael Hernandez, Chief, Fire Department, City of Reno

Adam Mayberry, City of Sparks

Rusty McAllister, Professional Firefighters of Nevada

Michael Pagni, Washoe County Water Conservation District

Lindsay Knox, Truckee Meadows Water Authority

Scott Scherer, Southern Nevada Regional Transportation Commission

Chair Goicoechea:

We will start with Senate Bill (S.B.) 478.

SENATE BILL 478: Revises provisions relating to regional transportation commissions. (BDR 22-1111)

Zev Kaplan (Keolis Transit America, Inc.; MV Transportation, Inc.):

This bill is an effort to balance the interests of taxpayers, transit riders and injured accident victims. The regional transportation commissions (RTCs), both north and south, contract with private companies to operate their buses, which are owned by the RTCs. Instead of hiring public employees, the RTCs save approximately 35 percent of costs by contracting for these services. This has allowed the RTCs to provide 35 percent more service to transit riders at a lower cost for taxpayers.

Accident victims covered under <u>S.B. 478</u>, while not being able to seek unlimited damages, will be able to recover more than if vehicles were operated by public employees. If public employees were to operate the vehicles, victim damages would be limited to the statutory cap of \$100,000 a person for each

occurrence, regardless of total medical expenses. Under this proposed bill, the victim would recover his or her full medical expenses. This limitation on damages helps to reduce transit system operating cost increases. Costs have risen every year. They are passed through by contracts between the companies and the RTCs. Thus it is a balancing of interests—to hold down costs benefiting taxpayers and transit riders—while affording better victim coverage than if the operators of the vehicles were public employees.

The Committee may hear the argument that contractors are private companies in business to make a profit. This is true, but these companies act as agents of governmental entities with which they contract to provide a public service. They are not like taxis or limousine companies acting as private companies solely for profit. What difference should it make if the publicly owned vehicle providing a public service is operated by an employee of the RTCs or a private contractor? Both are subject to the same safety regulations of the U.S. Department of Transportation, including drug and alcohol testing, and Nevada laws regarding motor vehicle safety, including the operation of a motor vehicle with a commercial driver's license.

Nevada and other states, have addressed extending liability limitations to contractors. *Nevada Revised Statute* (NRS) 41.0307 defines immune contractors and extends liability limitations to medical providers at our State prisons. Florida has enacted statutes regarding contractors who provide operators, dispatchers, security services, and rail facility maintenance for the South Florida Regional Transportation Authority and the Florida Department of Transportation.

In North Carolina, private prisons and private ambulance services have been provided immunity or limitations on liability awards. Pennsylvania has extended product liability immunity to government supply contractors since they are agents of the government. The federal government provides immunity from liability to government contractors for military products. The reasoning is that private companies are performing governmental functions as agents of the government.

If operators of vehicles were government employees rather than private contractors' employees, the increased costs to provide service to the public could cause a reduction of transit services and injured parties would be limited

in their recovery costs to \$100,000. The proposal in this bill would have no limitation on recovery of actual medical expenses.

Chair Goicoechea:

Does this bill limit the liability on medical expenses?

Mr. Kaplan:

This bill does not limit the liability on medical expenses.

Chair Goicoechea:

In section 1, subsection 1, I am struggling with the population cap. To what population cap do you intend this legislation to apply?

Mr. Kaplan:

Nevada Revised Statute 277A.280, section 1 subsection 1, says "a commission," which refers to the RTCs. Then it goes on to refer to a "county whose population is less than 100,000." Washoe County, Carson City and Clark County have RTCs and they would fall under the term "commission."

Chair Goicoechea:

Commission means RTC. We have no jurisdictions under 100,000. In NRS 277A.280, section 3, it says that in counties of less than 700,000, a system may provide services. Would <u>S.B. 478</u> apply to them also?

Mr. Kaplan:

Yes.

Chair Goicoechea:

That is a clarification since in my mind, when we talk about commissions, we are talking about county commissions. That may be confusing to anyone else.

Lee Gibson (Executive Director, Regional Transportation Commission, Washoe County):

We support <u>S.B.</u> 478. Recently, a blue ribbon committee went through a deliberate process to look at public transportation funding and service levels. We are looking to save every dollar we can to provide services. We went through the Great Recession. We had significant service reductions. We restructured and reorganized our transit system. We were able to put several million dollars back into the system. We are deploying electric buses that could

save us up to \$200,000 a year for each bus in operating savings costs. We are doing everything we can to sustain the services that we have.

Public transportation is a core service of the Regional Transportation Commission. We are proud of it and take it seriously. Our service is safe. We have not had an injury accident on an RTC Ride or Access bus since 2012. Over the last 3.5 years, only two injury accidents and two incidents have been reported. We are proud of our safety record. Our legal counsel has indicated that there may be legal issues, but we support all endeavors for our contractors and our public-private partnership to save money. We are working diligently to provide access to jobs and health care.

We would support any opportunity this Committee may have to empower us. I recognize the language in this bill and have not yet drafted an amendment. Based on conversations with our contractor, savings could be about \$120,000 a year. An advantageous approach would be for the RTC, through the contracting process, to discuss how those savings will be used.

Graham Galloway (Nevada Justice Association):

We oppose <u>S.B. 478</u>. It is an unprecedented extension of the doctrine of sovereign immunity to for-profit, private entities without any compelling justification. Sovereign immunity is a limited and special doctrine in our civil justice system. Limiting the recovery of innocent accident victims to lower the operating expenses of the private, for profit-based corporation is a compelling state interest. We do not believe that this is a fair, just or appropriate bill. The private operators of these bus systems can obtain insurance just like everyone else. We oppose this bill.

Chair Goicoechea:

Even with the provision that does not waive the liability or limit medical expenses, are you still opposed to the bill?

Mr. Galloway:

Yes. That is an appropriate caveat to the bill, but it still limits accident victims' recovery for pain and suffering. We are opposed to that. The savings amount, guaranteed or not, does not justify stiffing innocent accident victims.

Senator Parks:

I am curious where the Regional Transportation Commission of Southern Nevada (RTCSN) stands. Representatives have not testified. I am concerned about a reduction in cost and how savings would be translated into savings for ratepayers, providers of the service, and taxpayers.

Mr. Kaplan:

I do not represent the RTCSN, and I do not know its position on this bill. There has been a long history of accidents in southern Nevada, probably more so than in northern Nevada. The bill would have to have been in place for years to know the actual savings based on the history of accidents. An amendment may be proposed, as the Chair directed, to negotiate. Insurance rates are set. The question would be whether the contracts may be reopened. Otherwise, it would be the next procurement cycle when the rates may be lowered.

Chair Goicoechea:

We could say that this may ultimately reduce rates, but the bill might take a little more thought, even with an amendment. I will close the hearing on <u>S.B. 478</u> and open the hearing on <u>S.B. 185</u>.

SENATE BILL 185: Makes changes relating to fire and related emergency services in certain counties. (BDR 42-121)

Senator Ben Kieckhefer (Senatorial District 16):

I am here to present <u>S.B. 185</u>, which is meant to encourage the local governments of Washoe County to come together to put life and safety above all else when it comes to fire protection. It is a basic concept, and I believe that the elected leadership of Washoe County and the City of Reno share that view. Unfortunately, the structure of fire service in Washoe County does not reflect this priority.

My constituents believe when they call 911, the dispatcher will send them the closest emergency vehicle available to help them in their time of need. That is true in Clark County, despite their numerous fire departments. That is not true in Washoe County, where vehicles are dispatched based on the political jurisdiction of the caller, not the closest first possible responder. That means that during a home fire, the first fire engine dispatched could be miles away from the scene, despite the fact that an engine could be sitting in a firehouse literally down the street.

To illustrate this point, I refer you to the northeast corner of my district, a neighborhood called Hidden Valley, the majority of which is in unincorporated Washoe County, but a part of it is in the City of Reno. There is a fire station in Hidden Valley controlled by the Truckee Meadows Fire Protection District which jurisdiction over the has unincorporated Washoe County. If you walk out the front door of that fire station and turn right, in 450 feet you come to a house in the City of Reno. However, if that house catches fire, that fire engine a mere 10 seconds away will not be dispatched because it is in the "wrong jurisdiction." The dispatcher from the City of Reno will dispatch an engine from the Mira Loma Station, which is a couple of miles away. In the grand scheme of things, that 2.2 miles between the

Mira Loma Station and the house is not that bad of a distance.

The question becomes, what happens when that engine is out on a call or unavailable? The call goes to a station further away, which could double the distance and response time. That time makes a difference. All of that happens when there is a perfectly reliable and usable engine with a fire crew mere seconds away. This makes me feel uncomfortable. I believe fire service is a local government issue and do not feel comfortable putting mandates on how local jurisdictions in Washoe County deliver services to their constituents.

Unfortunately, Washoe County and the City of Reno have been unable to assemble a system in which the lives and property of their constituents are first. You will hear many reasons why. It dates back to 2000 when the City of Reno and Washoe County consolidated firefighting services and the City of Reno took over responsibility to run the consolidated department. During that period, the goal of <u>S.B. 185</u> was met. The closest fire engine would have responded when 911 was called.

However, as the recession hit and local governments started to feel the fiscal pinch, simmering disagreements over cost-sharing, labor agreements and other issues reached the boiling point. Washoe County decided to deconsolidate and go back to the system where the Reno Fire Department is responsible for its jurisdiction and Truckee Meadows Fire Protection District is responsible for unincorporated Washoe County.

I did not think about the issue until it became personal for me. On the Saturday after Thanksgiving in 2013, my in-laws' house in Hidden Valley burned down.

At the time the Hidden Valley Fire Station was staffed only with a rescue truck, which is not adequate for a fire in a structure. It was the first crew on scene, but it took 19 minutes for the first engine to arrive. During that time there were multiple calls to 911 from neighbors asking what was taking so long for the response. It took so long because the first engine came from nearly 11 miles away. A couple of minutes after the first engine responded, the second one came. It had been nearly 12 miles away when it was dispatched. I arrived after 20 minutes from the first 911 call. There were multiple City of Reno fire engines that could have responded more quickly if they had been dispatched immediately. In the end, the house was a total loss.

I will not try to Monday-morning quarterback what the outcome would have been if the other engines had been dispatched immediately. I am not qualified to do so, and I certainly do not want to undermine the heroic efforts of the firefighters who were on scene dealing with the blaze. They were substantial, and I appreciate them every day for what they do. I would like to thank them again as I tried to do at the scene.

What makes me think about it continuously is that the fire started in the garage, and on the second floor above the garage were the bedrooms where my children slept when they stayed at their grandparents' house. I shudder to think what would have happened under different circumstances as we waited 20 minutes for a fire engine to respond. In the end we were lucky. No one was injured. My children were not there at the time.

We cannot go back and fix what happened to my family, but we can focus our efforts to protect the next house and the next family. That is our responsibility. Between then and now, there have been some discussions between local governments but not a lot of action to fix a broken system.

I am sure you will hear testimony about the disagreements between local governments: how much money is owed each jurisdiction as a result of deconsolidation; the cost of labor in one jurisdiction versus the other; three-man crews versus four-man crews; where stations are built and located; and the exclusive right to serve. There are a lot of issues and the list goes on.

I would ask you to consider the value of each of those arguments against a potential death that could occur because of a delay in response time. I think that you will feel, as I do, that those arguments simply do not hold water. This

bill is short and to the point. It is one sentence in statute. It requires that local governments in Washoe County put life and property over political boundaries and create a system where the closest emergency vehicle responds to a fire. It is that simple.

Chair Goicoechea:

Clearly, there has to be mutual aid or an exchange of aid between the Truckee Meadows Fire Protection District, City of Reno, City of Sparks and Washoe County. Do they not have these agreements in place?

Senator Kieckhefer:

There is a mutual aid agreement in place between the City of Reno and Washoe County. We tightened the agreement up following my experience. We created more flexibility as to when mutual aid is called. However, this bill proposes a system of automatic aid that does not rely upon an individual making a decision to call for help. It creates a system whereby the closest vehicle responds to the scene. The City of Sparks has automatic aid agreements with the City of Reno and Washoe County so it would not be affected by this bill. The intent is to affect the ongoing relationships between the City of Reno and Washoe County governments.

Chair Goicoechea:

I understand that the mutual aid is not automatic.

Senator Kieckhefer:

It is not automatic; it is mutual; it depends on a call by someone within the fire district structure.

Chair Goicoechea:

The map of the Truckee Meadows Fire Protection District (<u>Exhibit C</u>) shows approximately 11 stations. Since they are scattered, I see the rationale for having the closest station respond to a fire.

Senator Kieckhefer:

Truckee Meadows Fire Protection District stations are located within the City of Reno boundaries. Some of them are legacy stations; some are new. There are a lot of reasons that this makes sense. Ultimately, my hope is this bill gives direction to Washoe County to figure it out. This is a local government issue. The County and the City need to work out an agreement that would work

for them to make implementation of <u>S.B. 185</u> possible. For the past year, I have indicated if they were not able to come to an agreement I would be here presenting a bill similar to this. Here I sit.

Chair Goicoechea:

I am a former long-time volunteer Eureka firefighter. Our mutual aid agreements are with the City of Carlin and the City of Ely, 90 miles and 77 miles away. Those agreements are automatic. All it takes is, "we need help," and they roll them. When you have to wait 1.5 hours, it could be the difference of losing a whole town.

Marsha Berkbigler (Chair, Board of Commissioners, Washoe County; Chair, Board of Fire Commissioners, Truckee Meadows Fire Protection District and Sierra Fire Protection District):

The Truckee Meadows Fire Protection District and Sierra Fire Protection District are the two fire departments that serve constituents living in unincorporated Washoe County. We support this bill. The Washoe County Commission acting as the Board of Fire Commissioners has been extremely supportive of the concept of automatic aid. We have offered documentation to the City of Reno in the past, asking for automatic aid. We are attempting to work through this. We understand and support Senator Kieckhefer's concerns. Washoe County will continue to work with the City of Reno. I think the City is willing to work with us.

Bob Lucey (Board of Commissioners, Washoe County):

With the introduction of <u>S.B. 185</u>, the Washoe County Commission feels that the safety of the citizens of Washoe County is the No. 1 priority. As a Commissioner, a steward of the County, it is my duty to ensure the continued community safety of our citizens and their property. This bill is a step in the right direction. The County and the City can come to resolution. This is the opening step to communications. The lack of automatic aid continues to put our citizens at risk.

In District 2, which is the southern part of Washoe County, I hear about it from my constituents daily. In south Reno, right off the Damonte Ranch Parkway, we have two stations, the City of Reno Station 12 and Truckee Meadows Fire Protection District Station 14. I have seen where Station 14, located within the City of Reno, could not respond to an accident in front of the Station due to its

jurisdiction. That is a failure of the local governments. I hope that we can create a positive working fire safety relationship and move forward.

Chair Goicoechea:

You have automatic mutual aid with the City of Sparks. Does it bill you back for those calls?

Charles Moore (Chief, Sierra Fire Protection District and Truckee Meadows Fire Protection District):

Cost recovery is built into every automatic aid agreement. We automatically aid the City of Sparks on a daily basis. It is quid pro quo for us. Unless there is a disproportionate share on one side or the other, we do not bill each other. However, in an incident where there is extraordinary operational time, there are provisions in every automatic and mutual aid agreement to bill.

Chair Goicoechea:

It sounds like under the arrangement you have with the City of Sparks, you let it wash unless it gets too far out of line.

Chief Moore:

That is correct. Washoe County has a 24-year history of automatic and mutual aid. There are ten automatic aid agreements. In the TMFPD, we have automatic aid agreements with the City of Sparks; Carson City; Storey County; North Lyon County; Truckee, California; Pyramid Lake Tribal Fire Department; North Lake Tahoe Fire Protection District; Bureau of Land Management; U.S. Forest Service; and Nevada Division of Forestry. The City of Reno is the only governmental entity with which we do not have an automatic aid agreement.

There are three fair questions to ask regarding this legislation. Would this legislation require one agency to respond in a disproportionate way than another? Through my analysis, the answer is no. This response map (Exhibit D) shows the 2-year history of responses to reports of structure fires for both agencies in the years 2013 and 2014. The analysis yields that is pretty much a quid pro quo. Every response to a structure fire may not necessarily find a structure fire. The data shows that for both agencies, there is about a one-third chance that upon arrival the call is for an actual structure fire. The difference is that a structure fire that turns out to be barbeque smoke is handled in about 10 or 15 minutes, at which time the agency returns. Structure fires,

unless they are significant, require a time commitment of 20 minutes to perhaps 1.5 hours.

It is always a fundamental principle that when we fight a structure fire and have a mutual aid partner there, we release them first. Although we appreciate their help, we know they must get back to their jurisdiction. When the fire is knocked down and we have enough fire resources on the scene, we release our mutual aid partner. This map tells us that in 2 years, in 260 reports of structure fires, 32 of those calls would have been closest to a City of Reno station. If you use the one-third average, the City of Reno initiated a structure fire for us about five or six times a year.

Conversely, the City of Reno had about 643 responses to structure fires over the 2-year period, and about 32 of those have been actual structure fires that TMFPD would have been closest to, so we would have initiated response and structure fire suppression about 15 or 16 times in that 2-year period. In my opinion, this is not a significant burden on any one agency. Is there an extraordinary amount of cost to provide automatic aid for one agency? Most of the costs in running a fire department are static. We pay our firefighters whether they are at the station or responding to a call. The costs of running a station are the same whether we are on a call or not. The amortization of the cost of the fire truck is the same. The extraordinary costs might be in a little bit of fuel and perhaps some broken equipment. We can deal with those costs. I do not see that automatic aid is necessarily a burden.

The map shows that the City of Reno could help us most in the Lemmon Valley area and in a few other areas. We could help them in Verdi and Hidden Valley. Senator Kieckhefer spoke to the fact that our station is just a few hundred feet from many Reno properties. It is unconscionable to me that if a fire were to break out in a home 200 feet from a fire station that it could not go and make an effort, particularly to rescue a trapped individual. That would not be what the citizens would expect from a local fire department.

Would insurance rates be adversely affected? The Insurance Services Office (ISO) rates fire departments based on their capabilities. It gives positive audit points for fire departments that have automatic aid agreements. I see no adverse effect to anyone's insurance rates based on an ISO rating.

Is this the right thing to do for the citizens? Clearly, the answer is yes. Citizens expect their government to work cooperatively and in a way that benefits them. Any argument that would not deal with public safety first would not be germane to this legislation. Ultimately, we need to keep the service to citizens foremost as the reason for this legislation. I wholeheartedly support <u>S.B. 185</u>. I offer a proposed amendment (<u>Exhibit E</u>) which limits this to structure and brush fires only.

There are a lot of other de minimis types of fires, like garbage fires or a car fire, that probably most agencies can handle on their own. This issue is emotional and controversial. Limiting this to structure and brush fires is a good place for us to start. Hopefully, we will achieve a record of success over a year or two, and it could be broadened to include medical incidents in future years.

Chair Goicoechea:

It concerns me that you would want to amend it to limit it to structures and brush, because the same scenario would be there if it were a vehicle accident. If it is, like you said earlier, in front of your station, why would you not roll an apparatus out and take care of it?

Mr. Lucey:

U.S. Route 395 Interstate 580, and South Virginia Street are near Station 14 in south Reno. In close proximity are a Walmart shopping center and a number of other businesses. There is a potential for many incidents in this area to which this station could respond in quicker fashion than the station assigned to them. This measure would help tremendously.

Chair Goicoechea:

Just looking at the map, I see five County stations that are either on the edge or incorporated into the City of Reno. Clearly, incidents will occur near one of those stations.

Ms. Berkbigler:

The reason the Chief is bringing forward the amendment is because we are trying to take steps in the right direction to ultimately come up with a resolution to overall fire-related problems. We want to make it as simple as possible to begin this process. The Washoe County Fire Board authorized the Blue Ribbon Committee on Regional Fire Service, which included residents of all three political entities—the unincorporated portions of the County as well as

both cities—and representatives of the fire departments. The 2014 report (Exhibit F) is at least a first step to resolve some of the problems while the two entities work together for a complete resolution.

Chair Goicoechea:

I know that you are not centrally dispatched. If you were to access your mutual aid, does the City of Reno dispatch or call TMFPD to ask for assistance at the site? Who makes that call?

Chief Moore:

Fortunately, we are all hitting off the same dispatch software. With computer-aided design (CAD) to CAD links we should be able to see all of each other's calls simultaneously. This summer, we should have a system whereby we can see each other's calls at the dispatching agency. This should become a simpler.

Senator Parks:

I am waiting for the rest of the story. I guess other witnesses will fill that out. My personal experience working with the City of Las Vegas and Clark County is that they entered into many mutual aid agreements in putting our contracts together, especially for fire alarm dispatch and hydrant service. It turned out to be a fairly smooth transition.

Cliff Low:

I am a private citizen. I would like to mention that there are other people in the audience who also support <u>S.B. 185</u> who may not speak today. My wife and I own our home in unincorporated Washoe County, the TMFPD area. Like property owners in the City of Reno and the City of Sparks, we pay taxes to the Washoe County General Fund, but unlike the property owners in the City of Reno and the City of Sparks, we also have a separate line item on our tax bill for the TMFPD. This is important because the three fire protection districts in unincorporated Washoe County are each separate legal entities, not funded by the Washoe County General Fund that the City of Reno and the City of Sparks pay into. The fire districts are funded by revenue sources dedicated solely to providing emergency services to those geographical areas that pay those taxes.

The City of Reno and the City of Sparks Fire Departments are paid from the same General Fund that the cities use for numerous other services. I am sad

that the governing boards of the fire agencies have been unable to agree upon the substance of <u>S.B. 185</u>, which is automatic aid—the closest unit is automatically dispatched to a fire regardless of jurisdiction. I am especially sad this situation has persisted to the point that the State Legislature finds itself dealing with it. I am also sad that I take the position opposite of that of the City of Reno Council. I work, shop and recreate in the City of Reno. It is sad that members of the City of Reno Council do not seem to be convinced that automatic aid can better serve the people of Reno. I am sad that there has a been much hope with new people on the Council, including the mayor, and new people who serve as both Washoe County Commissioners and as Commissioners for two out of three of the fire districts in the unincorporated areas. The matter of automatic aid should be resolved. And yet, here we are.

Automatic aid is a matter of common sense. By definition, in emergencies such as fire, time is of the essence. Response time is key. By having the closest unit arrive as quickly as possible, lives and property can be saved. You have only to look at that map of the greater metropolitan areas of the City of Reno and the City of Sparks to see their boundaries, and the need for automatic aid becomes even more apparent. Just last Friday, one City of Reno Council member referred to the City of Reno's ill-defined boundaries, narrow strands of the City, a result of annexation choices the City of Reno Council inherited.

Senator Kieckhefer mentioned some of the things that you may hear from opponents of <u>S.B 185</u>: three-person crews as opposed to four-person crews; two-in, two-out policies; and consolidations, mergers and divorces. Some may also tell you that automatic aid is something new that grew out of the local agreement between the TMFPD and the City of Reno Fire Department not being renewed. The fact is that the City of Reno and TMFPD had an automatic aid agreement for at least 8 years preceding the agreement by which they operated together.

Common sense will tell you that automatic aid is simply good policy. The TMFPD has made numerous offers of automatic aid. I hope that you will not only vote to pass $\underline{S.B.}$ 185, but also this bill will become law. It will be the catalyst that results in all governmental bodies of Washoe County working for the common good of the area's taxpayers and residents.

Chair Goicoechea:

In the case of a brush fire, the Eureka volunteer response in Elko, Lander and White Pine Counties, where we make 30 percent of the runs, there is no one triggering that call. There is no argument as to who is going to pay for it.

Jane Countryman:

I have submitted my written testimony (<u>Exhibit G</u>). Chief Moore addressed many of these items. My biggest concern is having the financial backing for these services. If a fire department is called out of its area frequently, it leaves its designated area without protection. I understand and support <u>S.B. 185</u>. I want the first engine to respond too, but I have to make sure that engine will be there and not always out on some other call.

Chair Goicoechea:

As I look at the map, I would hope other agencies would backfill the ones that have responded first in the best way.

Betty Hicks:

I am a resident of east Washoe Valley. Everyone has been eloquent concerning the recent issues in the last 10 years. I would like to speak to events in the past. My father-in-law worked for the City of Reno Fire Department in the 1950s and 1960s at which time there was no problem with automatic aid. There was no questioning. Any able-bodied person was called when it was necessary, be they a volunteer or someone requested from another agency. It was all hands on deck to take care of our community.

It is not just the separate communities—we are all together in this. If we do not start functioning as a whole instead of as separate entities, we will all burn. I heard about Richard West's house burning when the TMFPD station right next door was not called out. The political stuff has to stop. We have to do what works best for every citizen and do what is right for everyone.

Tom Judy:

I live in Hidden Valley, the community referred to by Senator Kieckhefer. I support <u>S.B. 185</u>. It merely requires the closest equipment to respond, which is referred to as automatic aid, as opposed to mutual aid. It seems like a logical, commonsense thing to do. I consider it a safety issue. A TMFPD station is located on a street in Hidden Valley which borders the Reno city limits. Homes on that street are located within seconds of that station, but the station cannot

respond to a fire at any of those homes. This sets up the potential for a tragedy. We ought to consider this irrespective of issues, financial or otherwise. This bill only asks that the two jurisdictions establish an automatic aid agreement. I strongly urge you to support S.B. 185.

Chair Goicoechea:

I see two district fire stations that are encompassed by the City of Reno, not just on the edge. So it does not make sense to me.

Malachy Horan:

My wife, Peggy, and I live in south Washoe Valley. We support <u>S.B. 185</u>. A number of my neighbors, who must work today, also support this bill. Automatic aid is needed to protect all of the citizens of Washoe County. All of us expect that if you have a fire, someone comes to your door. You would not care who that responder is. You just want to be safe. Safety for all citizens is a key element of good government. Numerous offers have been made to reinstate automatic aid by TMFPD and SFPD. It must be done for all Nevadans, and leave the egos and the politics outside of Washoe County. Safety is first.

Scott Gilles (Office of the City Manager, City of Reno):

The City of Reno respectfully opposes <u>S.B. 185</u>. The City would like to thank Senator Kieckhefer for bringing the bill, and it respects and understands his motivations for sponsoring this legislation. Automatic aid is a goal of the City of Reno and the City of Reno Council. Public safety for the City and its residents is a top priority. The City has concerns as to the path this bill takes to achieve this goal, even as the City of Reno shares this goal. The City wants to resolve the issue of fire protection and response with a County-wide protocol. However, it wants to do so through continuing efforts with our regional partners to reach an agreement that allows our fire departments to work for the best interests of the residents of the City of Reno and those of the entire County. Automatic aid must be worked out in an effective, cost-neutral way that is not detrimental to City of Reno residents or those of the rest of the County.

Hillary Schieve (Mayor, City of Reno):

This is truly long overdue. We have a relatively new City of Reno Council and Washoe County Commission, which is the good side of this. There has been positive talk to make sure public safety comes first. No one in the room today would argue with this. Unfortunately, the Council and Washoe County Commission have been put in this position. Senator Parks said that he is waiting

for the other shoe to drop. There has been much political infighting. We believe in a consensus and moving forward between the Washoe County Commission and the City of Reno.

Michael Hernandez (Chief, Fire Department, City of Reno):

I could not agree more with Mayor Schieve and Chair of the Washoe County Commission, Ms. Berkbigler. The issue of automatic aid should and must be addressed. However, it should be addressed in a manner that is equitable and does not place a unequal amount of liability on one entity or the other. The City of Reno has agreements with most of our regional partners. We are a career organization. We respond to over 33,000 calls a year. We meet all of the national fire protection standards for service delivery.

The response map, <u>Exhibit D</u>, provided by the County, demonstrates that we are a busy community. The map of the Reno Fire Department stations (<u>Exhibit H</u>) does not have response data posted but shows the locations of City of Reno fire stations. The data presented to you earlier does not show where the second and third apparatus would come from. It does not speak to a potential increase in response times to both jurisdictions.

In 2014, we had approximately 617 fire calls. Of those, 262 represented actual fires. We have an effective mutual aid, not an automatic, agreement, which is one radio call away. Whenever there have been significant events in our community and TMFPD has asked for assistance, we have never said no. We have responded immediately and likewise, we have asked the TMFPD for assistance to which it has responded immediately.

Chair Goicoechea:

In those instances, have you backbilled or asked for cost recovery?

Chief Hernandez:

Absolutely not. As a matter of practice nationally, automatic aid is on a quid pro quo basis. It is cost-neutral. We have an effective mutual aid agreement. Automatic aid agreements should be left up to local jurisdictions so they can hammer out the details. There are potential negative consequences such as increased response times and increased jurisdictional responsibilities. When one engine is out, the backfill engine, whether it is a TMFPD or a City of Reno engine, could triple its response district. These are the types of

issues that need to be clinically and analytically examined to ensure that there is no disproportionate negative consequence to either agency.

When the City of Reno responded to over 33,000 calls for service, our average response time for 100 percent of our calls was 5 minutes and 46 seconds. This is well under the national standard. Our standard of cover study that was commissioned for both Washoe County and for the City of Reno defined a minimum response as three engines and a fire chief. Within the City of Reno, we have the capability to assemble three engines, a truck company, a battalion chief and a safety officer within 10 minutes and 13 seconds at the 85 percent rate. At that rate, we can muster an effective response force.

The Insurance Services Office (ISO) sets the rating benchmark for all insurance providers in the U.S. We went through the ISO survey process as did the greater Washoe Valley. The survey leads to a rating on a scale of 1 to 10. One is the best and 10 means needs improvement. The City of Reno Fire Department was rated as an ISO 2 city. There are only 700-plus cities in the U.S. that carry that distinction. We were rated well because of our ability to respond in an effective way: to muster three engines, a truck company, a battalion chief and a safety officer in 10 minutes or less.

While well-intended, <u>S.B. 185</u> could impact our ISO rating. Chief Moore is absolutely correct in that ISO awards points or gives credit for automatic aid agreements. In theory, these agreements enhance service to the community; however, ISO places more emphasis on timely and effective response. This could outweigh the credit for having an automatic aid agreement. These are the kinds of things that need to be critically examined.

I wholeheartedly support the concept of automatic aid, but we need to look at this clinically and critically to make sure that there is no disparate treatment of citizens of either entity. Workers' compensation and the cost to revise our dispatch protocols are unanswered questions. When we deconsolidated, it took us 6 months to revise dispatch protocols, which required a significant amount of overtime. When we separated the entities, we were then able to correctly dispatch units to each respective organization. Therefore, an automatic agreement bears certain costs. We need to move slowly, methodically, and carefully and use the data we have to make sure that the citizens of the County and of the City of Reno are being served properly and that neither entity is negatively impacted.

There is impetus for this well-intended bill, supported by both groups, and there is an appetite for dialogue. Some offers have been made before; however, any offer that has any type of financial reconciliation at the back end needs to be looked at critically. We respond to 33,000 calls for service and TMFPD responds to roughly one-quarter of that, around 8,000 calls. As we peel away the layers of the onion, there are areas that need to be looked at clinically and critically.

Chair Goicoechea:

There is no effective date on <u>S.B. 185</u> so I assume it would be October. The devil is always in the details. As I look at the bill, I think it is reasonable. I do not know what your northernmost station is, but if it is on a call to an active fire scene, I assume you would backfill that station with equipment from TMFPD. At that point, through mutual aid, do you call TMFPD firefighters to notify them that they are the backup?

Chief Hernandez:

That is an operational issue. We monitor each other's channels, so we are aware when TMFPD is working an active fire. Likewise, I am sure, TMFPD is aware of us. We, like the TMFPD, move the chess pieces around. As one area becomes busy, we backfill it with another City of Reno engine company.

Chair Goicoechea:

Would you access your mutual aid at that point? Would you call the TMFPD station in the north valley, next to yours, to say through your mutual aid, we are on an active fire, so you are the only game in town? Would it be automatic? You would think that you would access it right there. I come from the rurals where you look for any help you can get.

Chief Hernandez:

You are correct. That is what we do if we get to a critical need point, such as the wind event that occurred 4 to 5 weeks ago when both entities were severely stressed. The TMFPD had an accident on Mount Rose and immediately requested our assistance to which we responded. Likewise, we put each other on notice when we are being stressed to the point where we have to be careful about how we deploy our assets.

Do we formally move engines across jurisdictions? No, we do not. That is the crux of your question, but we communicate with each other. In a west Washoe Valley incident, to which the TMFPD responded, I personally called Chief Moore to tell him that we were sending him an engine and we had two more ready to go if he needed them. We have the dialogue, but we do not have an automatic aid agreement.

As we move forward, we would like to address that type of agreement, but there are some fundamental issues like workers' compensation, dispatch and geographical commitment that have to be addressed. At the end of the day, the City of Reno Fire Department is responsible for protecting Reno citizens. Likewise the TMFPD and SFPD are charged with protecting their primary constituents. On the surface, does the automatic aid agreement make sense? Absolutely, we could not agree more. However, it has to be fair and equitable to both entities. There is an potential imbalance. We have to analyze the data to best solve this issue. The appetite is there.

Chair Goicoechea:

I certainly hope so. I think we all agree that this is reasonable, but it is just working out the details.

Adam Mayberry (City of Sparks):

The City of Sparks is neutral on this bill. We appreciate Senator Kieckhefer's leadership and the discussion. We have the appropriate agreements in place and good working relationships with both the TMFPD and the City of Reno Fire Department.

Chair Goicoechea:

Are you witnessing any real imbalance, since you already have agreements in place with the City of Reno and the TMFPD? Have you seen a real inequity regarding responses, pro or con, or is it just a part of doing your job?

Mr. Mayberry:

To my knowledge, we are not witnessing any imbalance. Our model is working well for us.

Chair Goicoechea:

Do you have automatic recovery of costs or a bill-back procedure, or do you just trade off services?

Mr. Mayberry:

I do not believe we have a bill-back process. I will check with the Sparks Fire Chief and, if I am wrong, let you know.

Rusty McAllister (Professional Firefighters of Nevada):

We are neutral regarding <u>S.B. 185</u>. The firefighters just run the calls; you call us, we go. In southern Nevada, we have automatic aid agreements among the four governmental entities in the Las Vegas area which work cooperatively. We run in the County every day; they run in the City every day. We run in North Las Vegas every day; they run in the City of Las Vegas.

There is no bill-back; there is no true-up at the end. We just run the calls. There are certain areas in the City of Las Vegas that surround large County islands where the closest County fire station is probably 10 miles away. When we respond, we send three fire engines, a ladder truck and a rescue vehicle, all from the City of Las Vegas, to handle a County call. The only County unit that might respond is an investigator to do the investigation on County property.

All of the agreements work very well because we all staff the same way; there are no true-ups. Hopefully, fire departments will come to some resolution in northern Nevada. As was said earlier, it is just about taking care of the citizens. Southern Nevada has infrastructure that is not in place in northern Nevada. One fire chief mentioned that the department will be using CAD so firefighters will be able to see each other's responses. Three of our departments share one dispatch center in one building. All of our units have global positioning systems, which are vehicle locators. The computer automatically picks up the closest available unit and sends it, regardless of jurisdiction. If it is a multialarm or multiunit fire, the computer locates the units based on the map. There are no true-ups at the end. We just run calls.

Senator Kieckhefer:

I am trying to bring local governments together. I managed to bring them together to take three different positions on the same bill. It shows what we have to deal with in Washoe County. I have the utmost respect for Mayor Schieve and Chief Hernandez. I consider them both personal friends and I respect their positions on automatic aid. There is nothing in <u>S.B. 185</u> that prohibits them from taking a hard look and making sure that it all works. I would expect them to do this; it is their responsibility on behalf of their constituents.

All the bill does is lay out the fact that it shall be done. In the end, that is the policy my constituents and theirs expect and desire.

Senator Parks:

Can you give me in ten words or less why the deconsolidation went through some years go?

Senator Kieckhefer:

I would have to defer to the County officials on that. I believe that there was disagreement about the costs, benefits and returns for the taxpayers.

Ms. Berkbigler:

Technically, it was never a consolidation. There was a multiuse agreement that made the two fire departments work together. We still had two chiefs and separate audits. The City of Reno was the manager of the agreement. The deconsolidation happened before my tenure. I understand that funding mechanisms were different enough that a problem was created for the County. The County fire service is funded by a separate tax placed only on unincorporated County residents. The City fire service is funded through the City of Reno General Fund.

As the costs increased, the City could ask for more money from the General Fund, whereas the County income was fixed. County taxes could not be increased. The problem came about when the economy was becoming ugly. The County decided that that it could not any longer afford to have this multiuse agreement in place. So, the County decided not to renew it.

Chair Goicoechea:

Are all your fire districts governed by *Nevada Revised Statutes* 474? Are you capped with those revenues?

Ms. Berkbigler:

Yes.

Chair Goicoechea:

The bottom line is that everybody must share, as it is all about public safety. It sounds like the groups are ready to move forward, to put this to bed. Senate Bill 185 will not take effect until October, unless you change the

effective date. Maybe you could give them a year's time to make it effective, by next spring, at which time they would have to have agreements in place.

Senator Kieckhefer:

I had that same idea.

Chair Goicoechea:

We are hearing from the south that all entities have automatic aid. With some provisions or caveats to enable fire departments to recover, automatic aid is the bottom line. Even out in those small communities like Austin and Eureka, we have automatic aid. We do not even call or ask, we just roll it. I believe the only ISO 1-rated fire department in the State is Churchill County and the City of Fallon, so you can make this happen. We will now hear S.B. 318.

SENATE BILL 318: Provides for the consolidation of certain fire protection districts in certain counties. (BDR 42-833)

Senator Kieckhefer:

Mirror legislation, A.B. 333, sponsored by Assemblyman Randy Kirner, passed the Assembly and is referred to this Senate Committee. I would encourage you to process that bill. This bill, S.B. 318, is verbatim language.

ASSEMBLY BILL 333: Provides for the consolidation of certain fire protection districts in certain counties. (BDR 42-650)

<u>Senate Bill 318</u> allows the board of county commissioners in a county of 700,000 or less to consolidate two or more fire protection districts under certain circumstances. The intent is to allow certain fire districts to save administrative costs they incur if a consolidation would be in the interests of the county and the districts. The purpose of the measure is to provide an alternative method by which a fire protection district can be organized.

Under the proposal, the board of county commissioners would be explicitly authorized to consolidate two or more fire protection districts if each district is contiguous to at least one other district proposed to be consolidated; the territory of each district is located entirely within the same county; and the rates of certain taxes, including property taxes, levied by the board of county commissioners, are equal when the services are consolidated.

In order for the consolidation to be reviewed by the county commission, a petition must be filed by a majority of the property owners within each district or by the adoption of a resolution by the commissioners proposing the consolidation. Upon receiving the petition or adopting the resolution, the county commission is required to conduct a hearing to ascertain if the consolidation is feasible and in the best interests of the community and the districts. If the commission finds that consolidation is feasible and in the best interest of the parties, it is required to adopt an ordinance consolidating the fire protection districts.

This would allow an alternative to consolidating the TMFPD with the SFPD, and in doing so it should have no impact on service but could save administrative costs of more than \$100,000 for Washoe County annually.

Chief Moore:

This bill allows the administrative merger. It allows the Emergency Fire Fund to increase from \$1 million to \$1.5 million, which we need because fighting wildland fires can be very expensive. It does not increase any taxes for either taxpayer in either district.

Mr. Low:

I am in favor of <u>S.B. 318</u>. This bill is simple. This bill should be a slam dunk and is worthy of bipartisan support. *Nevada Revised Statutes* allow county commissions to organize fire protection districts for unincorporated areas. There are three fire protection districts for unincorporated Washoe County, two of which will be helped by the passage of <u>S.B. 318</u> or <u>A.B. 333</u>. The intent of this bill is simply to allow county commissioners to combine fire districts when certain conditions are met, including that the board of county commissioners determines that such a combination is in the best interests of the county and the fire protection districts.

Chair Goicoechea:

Did you testify on A.B. 333 on the Assembly side?

Mr. Low:

Yes, I did.

Ms. Countryman:

I support S.B. 318.

Chair Goicoechea:

I close the hearing on S.B. 318 and open the hearing on S.B. 311.

SENATE BILL 311: Revises provisions relating to irrigation districts. (BDR 48-831)

Senator Kieckhefer:

<u>Senate Bill 311</u> authorizes the board of directors of an irrigation district that has entered into a contract with the United States for the purpose of complying with the Reclamation Safety of Dams Act of 1978 (<u>Exhibit I</u>) to incur an indebtedness not exceeding an aggregate sum of \$6 million. This is an increase in the threshold of the aggregated indebtedness that such a district can incur. Irrigation districts are only allowed to incur a debt of \$1 million.

The bill provides for the purpose of calculating assessments to pay for that indebtedness in fractional acres rounded up to the whole acre. The purpose of this is for the Washoe County Water Conservation District to partner with the federal government for repair work along the Truckee River and for desperately needed repairs to the Boca Reservoir.

Chair Goicoechea:

The Pershing County Conservation District in Lovelock rebuilt the Rogers Dam and incurred indebtedness in excess of \$10 million. I do not know how they did that, unless they just did it.

Michael Pagni (Washoe County Water Conservation District):

I do not know the answer and their circumstances. This is a question that came up during the Washoe County Water Conservation District's discussions with the Bureau of Reclamation. This is why we are before you today. I have submitted written testimony (Exhibit J).

Chair Goicoechea:

I appreciate that the annual cap on assessment did not go up. The bottom line is that you may incur longer term indebtedness. Lovelock in Pershing County struggled to pay the debt off.

Mr. Pagni:

This Irrigation District was formed in 1929 in Washoe County for the purpose of constructing and operating the outlet works at Boca Reservoir. It is a federally

owned reservoir on the Upper Truckee River system. It is a critical component to providing Floriston Rate flows into the Truckee River, which serves not only members of the District but people in the Truckee-Carson Irrigation District and municipal water purveyors as well.

The purpose of <u>S.B. 311</u> is to resolve a potential conflict between the debt limitations in State law imposed on irrigation districts and the reimbursements obligations imposed under federal law on irrigation districts. Under current law, irrigation districts are authorized to enter into contracts with the United States under the Newlands Reclamation Act of 1902 for purposes of maintaining, constructing, and operating federally owned irrigation works.

The Irrigation District is concerned that the limitations in NRS 539.477 and NRS 539.480 may restrict the ability to enter into those contracts to liability or debt no greater than \$1 million. Under the federal Reclamation Safety of Dams Act, the Secretary of the Interior is authorized to perform modifications to dams for seismic retrofit purposes. Under that act, the Bureau of Reclamation is allowed to get reimbursement of up to 15 percent of the actual cost from project beneficiaries. The Bureau has recently identified the need to perform safety modifications to the Boca Reservoir.

In the materials I submitted (Exhibit K), the Bureau has indicated that the costs may be as high as \$24 million. Fifteen percent of that would mean a \$3 million price tag to the District. In an excess of caution, we have decided to come forward with this bill request to make sure that if we enter into that reimbursement agreement with the federal government, as required by federal law, we would not be in violation of State law. The purpose and the intent is to resolve this conflict and be clear that the board of directors is authorized to enter into that contract for reimbursement under the Reclamation Safety of Dams Act up to \$6 million, and the board is also authorized to enter into such notes or otherwise levy on the lands within the district to repay those funds.

Under federal law, the federal government allows us to repay various contracts over a long time period. That is the good news on the assessment side. We want to make sure that we are not violating State law when we are trying to comply with federal law.

Chair Goicoechea:

I believe that we amended this 4 or 5 years ago when we changed the annual assessment for expenses from \$1 to \$1.50 an acre and we took the cap from \$3 to \$5 an acre for the irrigation districts' capital improvement funds. At that point, I know some irrigation districts did get by it. I do not know how, but it might not have been completely legal. I am supportive of your approach and understand the rationale.

Lindsay Knox (Truckee Meadows Water Conservation District):

We support <u>S.B. 311</u>. The Boca Reservoir serves as a key component for the trout storage and upstream storage for the Truckee Meadows Water Authority. It is an critical element for managing Truckee River resources under the Truckee River Operating Agreement.

Scott Scherer (Southern Nevada Regional Transportation Commission):

We are neutral on <u>S.B. 478</u>. We still have questions about what savings there would be, how those savings would benefit taxpayers and whether this would be good public policy.

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Senate Committee on Governme	ent Affairs
April 6, 2015	
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Seeing no further business, the meeting is adjourned at 1:55 p.m.

	RESPECTFULLY SUBMITTED:
	Darlene Velicki, Committee Secretary
APPROVED BY:	
Senator Pete Goicoechea, Chair	_
DATE:	_

EXHIBIT SUMMARY					
Bill Exhibit		ibit	Witness or Agency	Description	
	Α	1		Agenda	
	В	6		Attendance Roster	
S.B. 185	С	1	Truckee Meadows Fire Protection District	Boundaries Map	
S.B. 185	D	1	Truckee Meadows Fire Protection District	Response Map	
S.B. 185	Е	1	Truckee Meadows Fire Protection District	Proposed Amendment	
S.B. 185	F	27	Washoe County Board of Fire Commissioners	Blue Ribbon Committee Report on Regional Fire Service 2014	
S.B. 185	G	1	Jane Countryman	Testimony	
S.B. 185	Н	1	Fire Department, City of Reno	Reno Fire Stations Map	
S.B. 311	I	5	Senator Ben Kieckhefer	Reclamation Safety of Dams Act	
S.B. 311	J	2	Michael Pagni	Testimony	
S.B. 311	K	27	Michael Pagni	Boca Dam: Safety of Dam Modification	