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May 15, 2010

EXHIBIT F NevadaStakeholder	Document consists of 4 pages.
<input checked="" type="checkbox"/> Entire document provided.	
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Meeting Date: 5/14/10	

Mr. Robert Lang, Chairman
Members and Alternates of the Nevada Vision Stakeholders Group
Senate Concurrent Resolution No. 37
Legislative Counsel Bureau
401 S. Carson Street
Carson City, NV 89701-4747

RE: Public Comment for NVSG Meeting, May 14, 2010

Dear Chairman Lang, Members, and Alternates,

Recognizing that the final report of the NVSG is far from complete, I will reserve additional comment until the draft final report (the "source document") is available for review prior to its adoption by the Group. My comments herein relate to the "process" discussion and the "Draft Preliminary Executive Summary" feedback from members at last Friday's meeting.

Process:

During the last 40 minutes of the meeting, the Group discussed process issues and concerns related to review of specific sections by individuals in a manner consistent with the spirit of the state's Open Meeting Law (OML). Friday's meeting was the ninth NVSG meeting. To remove any question about the transparency of the process or compliance with the OML, the most effective and appropriate approach is to notice the final meeting on a section-by-section basis of the source document entertaining changes to content and wording through amendments to be offered and voted on by the entire group. Each member, individually, should be prepared with his/her amendments prior to the meeting so that discussion is thorough and expedited. After adoption of all the sections, the agenda should provide for action to adopt the entire document. Although this meeting may be more lengthy than past meetings, this process removes the question of "polling" or "serial meetings" and allows ample opportunity for public input.

Feedback on Draft Preliminary Executive Summary:

Chairman Lang's Opening Remarks put the status of the process into perspective: the working document (the Draft Preliminary Executive Summary) was a summary of a document that does



not yet exist. This was very helpful as I was eager to reference the source document to understand many of the provisions included. For that reason I will defer a number of my comments until the source document is ready for review. Nonetheless, I submit herewith to the Group the following general and specific comments.

General:

- The “vision message” does not evoke the self-reliance, industry, and individual resourcefulness of the Nevadans who have made our state great. It infers, instead, a sense of entitlement or dependence we are to expect from our state and federal government. Indeed, the vision should reflect that the solutions to many of our problems are to be found within the private sector rather than the public!

Specific:

- In that same vein, the vision statement should reflect the size of state and local governments and the extent and quality of the services state and local governments should provide its citizens not in comparison to other similar states but in relation to our own objectives, e.g., a range of the percent of state and local government expenditures to the gross state product. (2% is surely not enough but 40% is surely too large; a narrow range in between should be targeted and *monitored*.)
- In order to facilitate consolidation (collaboration) of services where greater efficiencies are certain, all statutory barriers should be removed; e.g., NRS 280.
- In order to provide for a competitive public workforce with adequate and competitive incentives, a shift to “defined contribution plans” from “defined benefit plans” for all new public employees must be implemented. Like so many other jurisdictions throughout the US, this state’s current obligations are unsustainable.
- In order for the state’s and local governments’ infrastructure investments to reach their minimum expected life, a reliable and adequate funding mechanism to provide for capital maintenance and renewal of public facilities must be established. (I agree with Bob Potter’s comments Friday.)
- I agree wholeheartedly with Don Snyder’s comment about deleting the references to “...securitizing future revenue streams...” Building rainy day funds and maintaining adequate reserves are worthy objectives.



- The words “export industries” and “wealth building” are not found in the Preliminary Executive Summary! These should be the hallmarks of our economic development vision! Production or creation of “exportable” products, technology, and services bring dollars to our state. While “pass through” industries provide jobs and economic activity, the primary “export” industries create wealth.
- On page 6 of the Preliminary Executive Summary, third bullet, “...amend the Nevada constitution to allow government investment in the private sector...” opens the door for an inappropriate role for government. Creation of a climate conducive to vibrant private sector business activity is one of the roles of government. Private/Public Partnerships are superb economic development strategies if administered well; however, the closest the public sector interest should be to private enterprise is “debt interest” not “equity interest.”
- In order to leverage the state’s great research institutions, statutes, regulations, and guidelines should be modified in order to facilitate technology transfers (with adequate benefit to the institutions and researchers) to create “export industries” and jobs within the state. In an “action plan” to actualize our vision, this should be a high priority as well as attracting researchers who create the technologies and concepts.
- As often mentioned by Group members, the federal government is the largest landowner in the state. Because of its interests the US Government, as custodian for all US citizens/taxpayers, should be an active participant in economic development strategies for Nevada. Those interests should be leveraged to the fullest extent possible subject to the value of competing interests, e.g., environmental concerns, open space preservation, endangered species, military uses, etc.
- The development of renewable energy resources is a commendable undertaking. Nonetheless, we should not delude ourselves that this will be the “silver bullet” for generations of Nevadans. According to the US Energy Information Agency (<http://www.eia.doe.gov/cneaf/solar.renewables/page/trends/table1.html>), renewable energy sources (solar, wind and geothermal), excluding hydroelectric power generation, for 2007 amounted to less than 1% of the total energy consumption in the US. No doubt, it is possible to double, triple, quadruple that resource and Nevada may play an important part. Yet those levels will still be less than nuclear power generation which is approximately 8.5% of US energy consumption. Between now and 2016, 50 new nuclear power generation plants



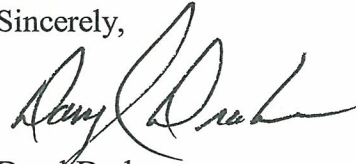
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are planned or under construction in 13 countries throughout the world (<http://www.world-nuclear.org/info/inf17.html>), while only 3 are contemplated within the US. In the '40's through the '80's, Nevada was home to extensive nuclear energy research and the rest of the world has benefitted greatly from that body of work. Nevada has the potential to regain that stature as a nuclear fuel research center; however, it will require a monumental paradigm shift in Nevada's mindset. Again, it's about jobs and "exports."

- In order to attract and develop "export industry" companies within the state of Nevada, a fund must be established in the private sector (venture capital fund) and/or in the public sector (for debt financing) to assist the launch of credible companies that will provide jobs and revenues.

I look forward to reviewing the draft "source document" for the NVSG prior to its adoption in the weeks ahead.

Sincerely,



Daryl Drake

cc: S. Horsford, Senator
W. J. Raggio, Senator
D. Ziegler, LCB

