

**MINUTES OF THE MEETING OF THE
INTERIM FINANCE COMMITTEE
SUBCOMMITTEE ON SELECTION
OF VETERANS' HOME SITE**

Las Vegas, Nevada

A meeting of the Interim Finance Committee's Subcommittee on Selection of Veterans' Home Site, which was officially reconvened at the Interim Finance Committee's last meeting on May 6, 1998, was called to order by Chairman William J. Raggio, on June 16, 1998, at 10 a.m., in Room 4412, of the Grant Sawyer Office Building, in Las Vegas, Nevada. A simultaneous video conference was conducted in Room 4100 of the Legislative Building, in Carson City. Due to technical problems, the meeting room in Las Vegas was changed from 4401 to 4412 and the meeting room in Carson City was changed from 1214 to 4100.

SUBCOMMITTEE MEMBERS PRESENT:

Senator William J. Raggio, Chairman

Assemblyman Morse Arberry, Jr., Vice Chairman

Senator Lawrence E. Jacobsen

Assemblyman Bob Price

SUBCOMMITTEE MEMBERS ABSENT:

Senator Jack B. Regan, Excused

Assemblyman Jack D. Close, Sr., Excused

LEGISLATIVE COUNSEL BUREAU STAFF:

Brenda Erdoes, Legislative Counsel, Carson City

Gary Ghiggeri, Principal Deputy Fiscal Analyst, Las Vegas

Robert Guernsey, Principal Deputy Fiscal Analyst, Carson City

Rick Combs, Program Analyst, Fiscal Analysis Division, Las Vegas

Jim Rodriguez, Program Analyst, Fiscal Analysis Division, Las Vegas

Yhvona Martin, Secretary, Carson City

A. ROLL CALL.

Chairman Raggio announced that a quorum of the subcommittee was present and he excused the absences of Senator Regan and Mr. Close.

2. OPENING REMARKS AND INTRODUCTIONS BY THE CHAIRMAN, SENATOR WILLIAM J. RAGGIO:

Chairman Raggio noted that this meeting had been posted in accordance with the provisions of the Open Meeting Law, which allows public testimony. Chairman Raggio indicated that staff had provided him with the names of

those individuals who had indicated a desire to testify and he would call upon them in the order in which their names appear on the sign-up sheet. He introduced from the audience former State Senator Al Alleman who, he said, had been a staunch advocate for a Veterans' Home in Las Vegas for many years.

In providing background information, Chairman Raggio explained that a Veterans Home had been discussed for a number of legislative sessions. An appropriation was approved by the 1997 Legislature to match the funding required by the federal government. In addition, Senate Bill 327 (1997 Legislature) requires that the site for the Veterans Home be located in Clark County. After viewing a number of proposed sites in Clark County and hearing testimony from numerous veterans organizations, as well as individual veterans, the subcommittee selected the 5th and Craig Street site. The Interim Finance Committee, at its September 18, 1997, meeting, approved the 5th and Craig Street site. Chairman Raggio thought everyone was disappointed to learn that an examination of the 5th and Craig Street site by the State Public Works Board (SPWB) had revealed underground fissures that would have required extensive excavation work costing as much as \$2 million. He said, however, it was the consensus of everyone involved with the project that the \$2 million that would be expended on site development could be more effectively utilized on building a Veterans' Home.

Since the site-selection process was reopened by the Interim Finance Committee, at its May 8, 1998, meeting, Chairman Raggio said the subcommittee had once again been directed to search for an appropriate site for the Veterans' Home. Because of time constraints related to the federal grant process, Chairman Raggio said he hoped the subcommittee would be able to make a decision today that would meet the site selection criteria as fully as possible so the Veterans' Home project could get underway; otherwise, he feared the state could lose the potential federal funding.

Chairman Raggio introduced those members of the subcommittee who were present, the members of the Legislative Counsel Bureau's staff serving the Interim Finance Committee's subcommittee, Mr. Eric Raecke, Manager, State Public Works Board (SPWB), Ms. Yvonne Benson, Deputy, SPWB, and Mr. Charles Abbott, Executive Director, Commission for Veterans Affairs. Although not members of the subcommittee, Chairman Raggio said it was a privilege to introduce from the audience Assemblywoman Gene Segerblom (D) and Senator Jon Porter (R), who represent the Boulder City area. Since he was unable to attend the meeting today, due to having to attend a previously scheduled meeting in Washington, D.C., Chairman Raggio said he would read into the record a letter from Mr. Close dated June 15, 1998. A copy of Mr. Close's letter is included in the meeting minutes as Exhibit A.

Mr. Chairman, I apologize for my absence from this very important subcommittee meeting, however, several months ago I was asked to serve as a Nevada delegate to the Inaugural Congressional Small Business Summit which will be held this week in Washington, D.C. If I could have changed my schedule, I would have for I know and recognize the importance of the actions of this subcommittee.

Even though during the last deliberations of this subcommittee I did support the Boulder City site, I was glad just to see the process underway. Our veterans are truly entitled to a Veterans' Home in Nevada and it has been a long time coming. I supported the majority decision of the Committee and was willing to work to see it to completion. But now, with the additional input regarding the poor soil conditions, I believe that we must look for that site that will provide our veterans with the most aesthetic and functional site as possible. I know that the U.S. Air Force has identified another area on 5th and Craig Street (farther south), however, I understand that a portion of this land also has poor soil. If that is the case, then it appears that the only two other sites will be the sites in Boulder City or the site next to the National Guard Armory on Range Road. If it comes down to that decision, I would like to go on record as supporting the Boulder City site by the Airport. This, of course, would be pending negotiations with Boulder City. Likewise, if we could work a 'trade' for the Children's Home, I believe that would best serve the residents of this state and the veterans.

I will be in contact with you from Washington, D.C. on Wednesday. If you need me in the meantime, you can reach me on my beeper.

Although he thought some people viewed the proposed Veterans' Home as a domiciliary facility, Chairman

Raggio said he wished to clarify that under the provisions of S.B. 327 (1997 Legislature) and the federal guidelines, the Veterans' Home must be a skilled nursing facility. He said, however, this would not preclude a future legislature from looking at the concept of expanding the skilled nursing facility for domiciliary purposes.

3. PRESENTATION BY THE STATE PUBLIC WORKS BOARD REGARDING THE SITES EVALUATED AS POSSIBLE LOCATIONS FOR THE VETERANS' HOME IN SOUTHERN NEVADA.

Chairman Raggio said he first wished to commend Mr. Raecke, Ms. Benson, and the SPWB staff involved in this project for the arduous work they have been doing for over a year in exploring and assessing all of the potential sites. Chairman Raggio also commended Mr. Abbott for his efforts as well.

Mr. Raecke explained that the 1997 Legislature had authorized a total expenditure of approximately \$19,376,000 to construct the Veterans' Home, which is referred to as Project No. 97-C16 on the Capital Improvement Projects (CIP) list. Of this amount, approximately \$6,800,000 will be provided by state funds and \$12,600,000, or approximately 65 percent, will be provided by the federal government as matching funds. Upon completion, the project will provide a 180-bed skilled nursing facility in Clark County. Three sites were originally examined in Boulder City, as well as an additional two sites located at 5th and Craig Street and 301 South Tonopah Drive. The 301 South Tonopah Drive site was not selected because it did not have the capacity for growth to accommodate an eventual 900-bed nursing facility. It was Mr. Raecke's opinion that the Boulder City sites were not chosen because Boulder City officials did not have a clear opinion as to whether a vote of the people was required to either sell or transfer the land. The 5th and Craig Street site, which was donated by the U.S. Air Force (USAF), was eventually selected.

Chairman Raggio asked for information on the minimum size parcel needed to accommodate a 900-bed nursing facility. Mr. Raecke said the conceptual Master Plan for a 900-bed nursing facility requires a 40-acre site.

After directing the subcommittee's attention to page 15 under Tab IV in the meeting packet, which provides a summary of the sites reconsidered, Mr. Raecke noted that the civil and structural engineers had examined the 5th and Craig Street site and found severe fissuring, which would require 12 to 15 feet of soil to be removed, a geo-tech fabric installed, and design fill installed back to building grade. Although the construction budget for the Veterans' Home could have accommodated an expenditure of \$2 million for site development, Mr. Raecke said it would have eliminated the landscaping and a number of other amenities which he thought would be needed for the Veterans' Home. Because of this finding, Mr. Raecke said he and Mr. Abbott felt duty bound to return to the Interim Finance Committee for further direction. The Interim Finance Committee met on May 8, 1998, and directed SPWB to re-evaluate the previous sites.

Continuing his remarks, Mr. Raecke stated that the civil and structural engineers had re-examined the 5th and Craig Street site, and verified their original determination. It was also their determination that additional excavation, in excess of 12 to 15 feet, might be necessary. In addition, officials from the USAF suggested that the engineers evaluate 40 acres on the southern section of the 5th and Craig Street parcel and the engineers found that approximately three-fourths of this parcel had the same soil problems as the original site. The engineers estimated that approximately 8 to 10 acres of the southern section of the 5th and Craig Street site would be suitable to build on. If a decision were to be made to build the Veterans' Home according to the original Master Plan, Mr. Raecke indicated that it would require a large expenditure to develop either the original 5th and Craig Street site or the southern section of the 5th and Craig Street site.

Mr. Raecke noted that, at Senator Regan's request, a site consisting of 35 acres on Range Road was evaluated. The site is located across from the Clark County National Guard Armory and near the Nellis Air Force Base. Since the site is very level and the condition of the soil good, Mr. Raecke said the site would be acceptable from a construction standpoint; however, the site was leased from the Bureau of Land Management (BLM) and has been designated as Recreation and Public Purpose (R&PP) land. Since the lease specifically excludes the land from being used for domiciliary purposes, it was Mr. Raecke's opinion that the usage of the facility would determine whether the Range Road site would be available to the state. In addition, Mr. Raecke said he had spoken with

Nevada's Adjutant General Drennan "Tony" Clark about the availability of the site, and General Clark indicated that the National Guard was uncertain at this point in time whether it would have a need for all of the 35 acres, but he did not believe there would be a problem in granting 8 to 10 acres to the state. Mr. Raecke also said the noise factor was another consideration which would need to be addressed. For example, the new "Beltway" around Las Vegas will have an interchange that will border the property, Interstate 15 currently borders the property on one side, and a train which commutes back and forth from Salt Lake City borders the property on the other side. From an aesthetic standpoint, Mr. Raecke said the property was surrounded primarily by industrial development. Mr. Raecke also noted that the very active runway at Nellis Air Force Base would be a consideration when filing an Environmental Impact Statement.

To respond to an inquiry from Chairman Raggio regarding the proximity of the Range Road site to a Level II trauma center. Mr. Abbott noted that the Range Road site was located about 12 to 13 miles from the trauma center at University Medical Center (UMC). In addition, he indicated that the Range Road site was located approximately 9.4 miles from the Veterans Administration (VA) Clinic, about 1.8 miles from the Michael O'Callaghan Hospital, and about 8 miles from the Lake Mead Hospital. Emergency response is provided by Mercy Ambulance Service, which has a 9-minute show time.

Since it was his understanding that UMC and several other local hospitals that are classified as trauma centers are bringing into service two new helicopters, Mr. Arberry suggested that the proximity to a trauma center should no longer be a concern if the Veterans' Home were to be located in Boulder City.

Mr. Abbott told the subcommittee that he had read a newspaper article today about an air ambulance service being established possibly in the Henderson area, but he had not had the opportunity to verify the report. Mr. Abbott also indicated that Care Flight could probably reach any location in the Las Vegas Valley within 10 to 12 minutes.

Chairman Raggio reminded the subcommittee that one of the criteria listed in S.B. 327 requires that the Veterans' Home be located in reasonable proximity to a major hospital which has been designated as a Level II trauma center and that it was his understanding UMC was the only hospital with that designation.

In view of Mr. Abbott's previous statement that Care Flight could reach any location in the Las Vegas Valley within 10 to 12 minutes, it was Mr. Raecke's opinion that any site located within the Las Vegas Valley could be considered to be within reasonable proximity.

Continuing his review of the sites, Mr. Raecke noted that the Old Airport site in Boulder City had been committed by the City Council to a private concern, the Fisher Pen Company, which intends to develop an air and space museum and technology center, and is no longer available. The second site in Boulder City, the state-owned Southern Nevada Children's Home, contains only 12 acres and would limit future expansion if the 900-bed goal were to be eventually realized. If this site were to be selected, Mr. Raecke said a considerable amount of demolition work and earth moving would be required.

Prior to selecting the 5th and Craig Street site, primarily because there were no land costs involved, Chairman Raggio said it was his recollection that the Committee had expressed considerable interest in the Boulder City site north of Highway 93, but the land transaction involved several legal impediments; i.e., a straight purchase was precluded without a vote of Boulder City residents, which created a time problem as well as the uncertainty of the result of a vote. It was also his recollection that a cost was involved in order to satisfy a condition in the City Charter.

Under Tab V in the meeting packet, Mr. Raecke directed the subcommittee's attention to a letter, Exhibit B, dated May 7, 1998, from Mr. Bill Andrews, Boulder City Attorney, which concludes that any land sale, transfer, or lease to a non-profit organization can be accomplished at a City Council level without requiring approval of the voters of Boulder City. Mr. Raecke suggested that the letter clears a "cloud" that was over the Boulder City property during the original evaluation process.

Speaking about the Boulder City site north of Highway 93, Mr. Raecke said the parcel contains 40-plus acres and

would accommodate the 900-bed facility called for in the Master Plan. He also noted that the state had recently built the Railroad Museum and maintenance building nearby and encountered no soil problems. Mr. Raecke said Boulder City representatives have assured him that there would be ample water and sewer capacity for the Veterans' Home and that electrical connections were reasonably close. Although there would be some site development costs involved in building a road, Mr. Raecke said he thought a partnership could be arranged between the state and Boulder City to build the road, which would reduce the site costs.

Chairman Raggio inquired about the availability of water and utilities at the Range Road site. When the state built the Clark County National Guard Armory, Mr. Raecke indicated that a new water line was installed at the Armory. Since the Armory was built, it was Mr. Raecke's understanding that North Las Vegas had installed a 24-inch water main within about a mile of the site. Mr. Raecke said there had been no sewer problems at the Armory, but that Union Pacific had charged the state an exorbitant fee for an easement to run conduit under the railroad tracks. It was Mr. Raecke's opinion that the site costs at Range Road would be fairly even with those at the Boulder City site. Mr. Raecke indicated that the only down side he had found at the Boulder City site north of Highway 93 was the 4 to 6 percent slope, which would require the buildings to be built on terraces or steps. Mr. Raecke said he would not consider this to be problematical, but rather a cut-and-fill operation. Mr. Raecke added that the current design would fit very well on the site.

It was Chairman Raggio's understanding that the federal regulations concerning grants to states for construction of Veterans' facilities ask the states to avoid locating facilities near highways, railways, or airports. Mr. Abbott said he did not believe this was a requirement of the federal government, but rather a recommendation. Chairman Raggio asked Mr. Abbott if he thought either one of the sites would comport with the federal guideline and Mr. Abbott opined that either one of the sites would probably qualify for a federal grant.

Chairman Raggio said he had observed railroad tracks in the map depicting the Boulder City sites on page 33 of the meeting packet. Mr. Raecke indicated that the railroad tracks were connected with the state's Railroad Museum, but he did not believe the Museum's tourist train would be a consideration because the track ends at Railroad Pass.

Chairman Raggio inquired about the Airport in Boulder City. Mr. Raecke said the Airport was located below the site and Highway 93. Although the Airport is used occasionally by small aircraft, Mr. Raecke said the site was located outside of the noise pattern.

Chairman Raggio said it was his understanding that if the Boulder City site north of Highway 93 were to be selected, it might be necessary to either build an overpass or underpass to bypass the railroad tracks that are located between Highway 93 and the potential site for the Veterans' Home. Mr. Raecke indicated that an extension of Adams Street would intersect with Highway 93 on the lower portion of the site. In order to make the best connection possible, Mr. Raecke acknowledged that it would be necessary to build an underpass to bypass the inactive railroad to connect with Industrial Road. As he previously stated, Mr. Raecke said he thought it would be possible for the state to enter into a partnership with Boulder City, as well as the Nevada Department of Transportation (NDOT), to build the underpass.

Chairman Raggio questioned why there was a need for an underpass if the railroad was inactive. It was Mr. Raecke's understanding that the easement that was given to the state for the railroad was approved with the understanding that it be used for no other purpose. According to Mr. Raecke, the Museum has indicated it's intention to continue running the train from Boulder City to Railroad Pass and back.

Mr. Raecke apprised the subcommittee that he had visited briefly with Mr. John Sullard, Boulder City Manager, regarding his concern about having to rezone as the project progresses. Mr. Sullard assured him that a conditional use permit could be issued, and he believed that any rezoning that is necessary could be completed by August. Mr. Raecke said that Mr. Abbott would address the time line for the federal grant.

4. PRESENTATION BY THE NEVADA COMMISSION FOR VETERANS' AFFAIRS REGARDING THE POSSIBILITY OF THE STATE OF NEVADA RECEIVING AN EXTENSION ON ITS APPLICATION FOR A FEDERAL GRANT TO CONSTRUCT THE VETERANS' HOME.

In addressing the subcommittee, Mr. Abbott noted that all requirements pertaining to the federal grant must be completed by September 30, 1998. If additional time is needed, Mr. Abbot indicated that there were three options available. The first option would involve the Commission for Veterans' Affairs submitting a request to the VA by July 15, 1998, to issue a conditional approval on the grant request. The VA would approve the request if the state has completed 35 percent of the design phase. It was Mr. Abbott's understanding that the state was prepared to complete the design phase by the end of this month. The conditional approval would give the state until March 15, 1999, to complete all phases of the grant application.

Chairman Raggio wanted to know if it was necessary for the Interim Finance Committee to approve a specific site by July 15, 1998. Mr. Abbott responded that it was necessary to select a site by July 15, 1998, because the packet which would be sent to the VA would include site drawings and site details. Mr. Abbott also added that it was not uncommon for states to request a conditional approval, in fact, the VA approved nine projects last year and six of those were under the conditional approval provision.

Chairman Raggio asked Mr. Abbott if he thought the VA would grant a conditional approval if it could be assured the state had selected an appropriate site and Mr. Abbott responded affirmatively.

The second option, Mr. Abbott explained, would be to withdraw the application and resubmit the application for next year's grant cycle. This would need to be done by next month as well and would provide the state with additional time, until September of 1999, to resubmit the grant application. He said, however, this particular construction project would be dependent on whether federal funding was appropriated during the next grant cycle. The third option would be to do absolutely nothing. If the state fails to meet all of the requirements, then the state would have to wait until next year to file the request and the grant would not be awarded until the year 2000. It was Mr. Abbott's opinion that if either option 2 or option 3 were to be chosen, this construction project would be placed in the priority one category, but Mr. Abbott hoped the state would not have to choose either of those options.

Mr. Raecke offered a 4th option for consideration, which was to follow the original plan and submit the package by September 30, 1998. Mr. Raecke said he was confident this could be accomplished if a firm were to be hired to do the Environmental Impact Statement so that it could accompany the grant application on September 30, 1998. If option 4 were to be chosen, Mr. Raecke indicated that a site would need to be selected fairly quickly.

Mr. Abbott directed attention to the issue of accessibility. According to Mr. Abbott, all three of the sites currently under consideration can be readily reached by automobile by the normal person. Mr. Abbott said he would rate the 5th and Craig Street site first and the Boulder City site second for accessibility for people with impairments because the sites can be reached easily by automobile and are serviced by the Citizens' Area Transit (CAT) 24 hours per day, seven days per week, with passenger pickup frequencies up to 20 minutes apart at peak periods, from 5:30 a.m. to 7 p.m. Mr. Abbott also indicated that the distance between Las Vegas and Boulder City had not been a major problem for people wanting to visit the Veterans' Cemetery.

To respond to a question from Chairman Raggio, Mr. Abbott noted that a representative from CAT had indicated a willingness to designate a bus stop at the proposed site on Highway 93 in Boulder City.

Continuing his remarks, Mr. Abbott indicated that the Range Road site would be the most difficult site for people with disabilities to access because the nearest bus terminates at the Michael O'Callaghan Hospital, which is approximately 1.7 miles away from the site. According to Mr. Abbott, CAT has no plans to extend that particular route for at least three years. Mr. Abbott said he was reasonably certain that some people would find the Veterans' Home difficult to access regardless of which site it was built on. Mr. Abbott suggested one solution was to establish a volunteer transportation program so that spouses or friends who wish to visit the facility could call a specific number to request a van. Mr. Abbott thought such a program would also assist those people who wish to visit the Veterans' Cemetery.

Chairman Raggio recognized Senator Jon Porter, who said he wished to address the state's Railroad Museum in

Boulder City. Senator Porter noted that the state had invested in excess of \$1 million in rolling stock for the Railroad Museum, plus a substantial amount of money for the new maintenance facility. When the new facility has been completed, Senator Porter said the Museum envisions being able to operate a tourist train in Boulder City in a similar fashion as the one currently being operated at the Railroad Museum in Carson City. Since the tourist train would be operated and controlled by the state, Senator Porter said he thought an arrangement could be made with the vendor so that the operation would not adversely affect the Veterans' Home.

5. PUBLIC TESTIMONY.

Chairman Raggio recognized Mr. Bryan Nix, Assistant Mayor of Boulder City. After introducing Mr. John Sullard, City Manager for Boulder City, Mr. Nix told the subcommittee that the city officials of Boulder City were disappointed when another site was selected for the Veterans' Home. Mr. Nix said that not only is the site located in a beautiful setting just south of the River Mountains with a panoramic view overlooking the El Dorado Valley, but the site meets the size requirements as well since 40-plus acres are available.

After directing the subcommittee's attention to a large map of the area, Mr. Nix pointed out that the proposed site would be very easily accessed from Las Vegas. After entering Boulder City, the present intersection "T"s at Highway 93. If this site were to be selected, Mr. Nix said Boulder City's intent was to come under the Museum railroad tracks, extend that intersection up next to the site, and then curve in and attach to what is now called Industrial Road, which travels down to Highway 93 again as it goes toward Lake Mead. Just above the site, Mr. Nix indicated that Boulder City was currently negotiating with two groups who want to develop a country club golf course in that area because of the beautiful terrain. It was Mr. Nix's belief that the site offers a tremendous value aesthetically because Boulder City's air quality and small town atmosphere would enhance the lifestyle of everyone residing in the nursing facility. Boulder City is only minutes away from Lake Mead and Hoover Dam. Boulder City is host to about 9 million tourists each year who travel through Boulder City to visit Lake Mead and Hoover Dam. Although realizing that transportation issues were raised during the original evaluation process, Mr. Nix emphasized that Boulder City was not isolated. When the new freeway is extended, Mr. Nix indicated that Boulder City would be about 15 to 20 minutes away from the airport and very accessible to most areas within Las Vegas.

Mr. Nix said he wished to point out that the Boulder City Attorney had reviewed the City Charter and had rendered a legal opinion that Boulder City has the right to exchange, sell, or give land to a governmental entity as long as the land is utilized for a non-profit purpose. The Boulder City Council voted unanimously to support this project and to work with the state. Boulder City believes it can make this land available to the state virtually at no cost, although Boulder City is interested in clearing up the issue of the Southern Nevada Children's Home property.

Chairman Raggio wanted to know what the potential use was of the Southern Nevada Children's Home. Mr. Nix apprised the subcommittee that Boulder City had considered numerous options. For example, expanding the library, creating a youth center, a skate board park, and other recreational facilities oriented toward the youth in Boulder City. In addition, St. Jude's Ranch for Children has expressed an interest in the property.

Chairman Raggio wanted to know whether voter approval would be required to exchange the Children's Home property for the 40-acre parcel north of Highway 93. Mr. Nix reiterated that voter approval was not required in order to sell, exchange, or give land to a governmental entity.

Chairman Raggio also wondered whether the opinion would apply if the operation of the Veterans' Home were to be privatized after it has been constructed. Mr. Nix said it would be no different than when the Southern Nevada Children's Home was privatized and the Volunteers of America (VOL) took over the operation.

It was Chairman Raggio's understanding that Boulder City could either grant the land to the state without cost or exchange the Southern Nevada Children's Home property for the Highway 93 site. Since Boulder City gave the land to the state for \$1 about 30 years ago, Mr. Nix said that Boulder City had intended to ask the 1999 Legislature to transfer back to Boulder City the title of the Southern Nevada Children's Home property so it could be utilized for city purposes.

Chairman Raggio asked Ms. Pamela Wilcox, Administrator, Division of State Lands, in Carson City, whether she was aware of any problems that might occur with the scenarios that had been discussed today. Ms. Wilcox indicated that she had spoken with Mr. Sullard about the Boulder City site and Boulder City's desire to offer the Southern Nevada Children's Home property in an exchange arrangement and she could see no problem with such an exchange. If the Boulder City site were to be selected by the Interim Finance Committee, Ms. Wilcox said the Division of State Lands would proceed immediately with appraisals of both the Veterans' Home site and the Southern Nevada Children's Home site. It was her understanding that Boulder City intends to make this an even exchange. She said, however, Boulder City has indicated that it would donate the difference in value should the Veterans' Home site prove to be of greater value. According to Ms. Wilcox, a land exchange can be completed as an administrative action with the approval of the State Board of Examiners and the Interim Finance Committee.

Chairman Raggio asked Ms. Wilcox how long it would take to complete the appraisals. It was Ms. Wilcox's understanding that a September meeting of the Interim Finance Committee would be scheduled after the June 25, 1998, meeting. Since the State Board of Examiners would first have to approve the land exchange, Ms. Wilcox said she would expect to have the appraisals completed for the Interim Finance Committee's September meeting.

Chairman Raggio asked the Legislative Counsel if the subcommittee could recommend a site contingent upon the appraisal process and subsequent approval by the State Board of Examiners and the Interim Finance Committee. Ms. Erdoes stated that A.B. 670 (1997 Legislature) required approval from the Interim Finance Committee or the Legislature before expending funding for the design of the facility. Since approval was granted before any expenditure occurred, Ms. Erdoes said it was her opinion that this provision of the law had been complied with and that the subcommittee was now attempting to comply with the spirit of the law in terms of having the Interim Finance Committee approve another site. Ms. Erdoes suggested that in this particular case the subcommittee would be acting well within its powers to contingently recommend the site, which would allow the SPWB and the Division of State Lands to go forward with that expectation. Although some risk is involved; i.e., the Interim Finance Committee could decide not to follow the recommendations of the subcommittee and any work which has been done will be of no value, Ms. Erdoes said she could find nothing in the law that would prohibit the subcommittee from following this procedure.

Chairman Raggio said it was his understanding that the Interim Finance Committee could approve the site at its meeting on June 25, 1998, but it would be subject to the appraisal process, approval by the State Board of Examiners, and final approval by the Interim Finance Committee. Chairman Raggio asked Mr. Abbott if he thought such action would be sufficient to place the state into a position to request a conditional approval on the grant application. Mr. Abbott noted that the grant stipulates that the Commission for Veterans' Affairs must be able to show reasonable assurance of title to the land in the final phase of the grant. If he does not have such assurance by September 30, 1998, Mr. Abbott said it would probably be best to request a conditional approval, in which case the state would have until March of 1999 to submit an application. Mr. Abbott suggested that Mr. Raecke could better speak to whether the state was in a position to proceed with the design work.

Mr. Raecke said that in the spirit of what the Interim Finance Committee may approve on June 25, 1998, the SPWB would proceed with the design work with the expectation that the Interim Finance Committee would ultimately approve the site at its September meeting. Mr. Raecke added that the State Board of Examiners was scheduled to meet on August 6, 1998.

Chairman Raggio wanted to know if Mr. Abbott would be able to keep the project on track, without having to resort to choosing one of the four previously described options, if the Interim Finance Committee were to approve the site prior to September 30, 1998, and Mr. Abbott responded affirmatively.

Chairman Raggio recognized Mr. John Sullard, Boulder City Manager, who stated that if the subcommittee recommends the Boulder City site today, Boulder City is ready and willing to enter into the appraisal process without waiting until the June 25, 1998, Interim Finance Committee meeting. Mr. Sullard said Boulder City would be willing to split the cost of the appraisal process with the state so the process could be started. Mr. Sullard also noted that if the 40-acre parcel was appraised at a lesser value than the 12-acre parcel on which the

Southern Nevada Children's Home was situated, Boulder City would make up that difference by adding land to the Veterans' Cemetery. If the value of the 40-acre parcel were to exceed the value of the Southern Nevada Children's Home property, Mr. Sullard said that Boulder City would forgive that difference.

Mr. Price said he wished to respond to a comment that was made earlier relative to the site not being adversely affected by noise from aircraft at the Boulder City Airport. Mr. Price said although he would agree with the comment because most of the small aircraft were privately owned, he wanted to point out the potential for small aircraft to have engine failure when taking off or landing. According to the map, Mr. Price said the runway was pointed toward the direction of the 40-acre parcel on Highway 93; thus, the parcel was in the flight path of the Boulder City Airport. About six weeks ago, Mr. Price noted that an aircraft approaching the North Las Vegas Airport had lost an engine and crashed into a home.

In addressing Mr. Price's concern, Mr. Sullard indicated that it would be very unusual for aircraft to take off in the direction of Highway 93. It was Mr. Sullard's understanding that aircraft ordinarily take off and land well below the Highway 93 area. The flight pattern was discussed with staff from the SPWB, as well as the Commission for Veterans' Affairs, and the consensus was that the Highway 93 site was outside of the flight pattern.

Since the runway is situated uphill, Mr. Price said aircraft would ordinarily land in the opposite direction of Highway 93, unless there were wind problems. Mr. Price thought it was important to point out the potential hazard for the record.

Chairman Raggio recognized Assemblywoman Segerblom, who said that the Boulder City Airport had been moved to a different location since Mr. Price's plane had encountered engine problems 25 years ago. Mr. Nix added that the map does not show that a runway which runs east and west bears most of the traffic from the Airport.

Chairman Raggio wanted to know how far the runway was from the Highway 93 site. Mr. Abbott estimated that the distance was about one mile. Mr. Abbott also advised that he had contacted representatives of the Federal Aviation Administration (FAA) to inquire whether there were applicable rules in this regard and he was assured that there were none. Mr. Abbott apologized for not being able to get the written confirmation from the FAA before today's meeting.

Chairman Raggio wondered whether an underpass would be built regardless of whether the Veterans' Home were built. Mr. Nix pointed out that Boulder City had planned to locate outlet malls on the parcel several years ago and specific engineering plans were developed at that time, which included an underpass. While he did not believe an underpass was required, Mr. Nix said it would be more desirable to have one to connect the parcel to Industrial Road. It was also Mr. Nix's understanding that the engineers had estimated an underpass would cost approximately \$280,000 and that an at-grade crossing (overpass) would cost approximately \$180,000, or \$100,000 less.

Chairman Raggio said he did not want to see a recurrence of what happened after the site was selected last time; i.e., exorbitant costs to develop the site. Chairman Raggio said that it was the desire of the subcommittee for all of the money that was appropriated for this facility to be used for construction purposes.

Mr. Nix said he wished to point out that Boulder City has no water connection fee. In North Las Vegas, for example, the hook-up fee for an 8-inch main is \$256,240 and is \$544,500 for a 12-inch main.

Since other users will ultimately benefit from the overpass, Chairman Raggio wanted to know if Boulder City would be willing to participate in the cost of the underpass. Mr. Nix stated that Boulder City had intended to apply for state Highway Funds, as well as funding through the Regional Transportation Commission for the underpass.

Chairman Raggio suggested that this issue needs to be clarified before the state is required to invest a substantial amount of money to develop Industrial Road. Mr. Nix stated:

No, that would be something that is not tied to this at all. We would eventually want to bring that through the regular process****All we would be talking about is at the stop light, providing access to the Veterans' Home, and we would be willing to talk to the state about how we would participate and the golf course would participate.

Chairman Raggio wanted to know whether the intersection was controlled. Mr. Nix said the intersection would be controlled by the end of July of 1998. Chairman Raggio also asked Mr. Nix whether Boulder City intended to apply for state funds to build the controlled intersection and Mr. Nix responded that Boulder City had already applied for state funds for that purpose and that it was presently being built.

Senator Porter suggested that Mr. Nix expand on his previous comments regarding the savings in operating costs that would be accrued by the state as a result of Boulder City's low utility rates. Mr. Nix noted that an informational handout had been provided to the subcommittee, which indicated that Boulder City has substantially lower water and power rates than the Las Vegas Valley. Mr. Nix estimated that the state would save approximately \$450,000 on the cost of the water connection. Boulder City's electric rates are about 4 cents per kilowatt-hour, which is considerably lower than the rest of the area. A copy of the handout is included in the meeting minutes as Exhibit C.

Mr. Arberry inquired about sewer connection fees. As a part of the new road work currently in process, Mr. Nix noted that a sewer connection had been stubbed out in proximity to the site. Mr. Arberry wanted to know whether the sewer fees would be based on the number of fixtures to be utilized at the nursing facility and Mr. Nix responded that they would not.

Senator Porter estimated that the state could save up to \$1 million in startup costs for the project, which does not include the long-term cost savings.

Since he had visited the site a number of times, Senator Jacobsen suggested that Boulder City provide assurances that the gravel operation located nearby would no longer exist because of the noise and dust factors. Mr. Nix noted that the gravel operation was temporary and had been used for flood control purposes. Although the Master Plan calls for that particular area to be widened, Mr. Nix thought that work would be accomplished prior to the start of construction on the Veterans' Home.

Chairman Raggio asked Mr. Raecke if he was satisfied with Mr. Nix's response and Mr. Raecke said he was.

Senator Jacobsen said he had heard about the flash floods that occur in the Boulder City area from time to time and he wanted to know whether there would be an erosion problem at the site. Mr. Nix acknowledged that Boulder City was prone to flash floods after heavy rains and that there was a chance for flooding at the site. Mr. Nix said, however, a number of improvements had been made since the last flood occurred on August 10, 1997. Mr. Nix indicated that a retention basin located above the site was designed to hold flood water and that the crosses shown on the map were channels for holding flood water. Mr. Nix also suggested that if the golf courses were to be built above the site, a number of retention basins would be built that would further protect the site from flooding.

Senator Porter suggested that the emergency response issue be addressed. LOST SOUND FOR SEVERAL MINUTES. Mr. Nix noted that the Boulder City Hospital was located about one mile from the site and that the Boulder City Fire Department has a full paramedic program. All of the paramedics have received Emergency Medical Technician (EMT) training and are fully equipped to respond to medical emergencies.

Chairman Raggio wondered whether helicopter service was available to UMC. Mr. Sullard said helicopters have been used to transport Boulder City residents to UMC who have received traumatic injuries as a result of accidents. Mr. Sullard noted that trauma cases were typically not transported to the Boulder City Hospital, but instead were transported via ambulance into Las Vegas, which is 25 miles away and takes about 25 minutes to drive on the freeway.

It was Mr. Arberry's understanding that UMC had purchased an additional helicopter, which means UMC has two

fairly new helicopters in service. He also noted that the Valley Hospital Medical Center was in the process of purchasing a second helicopter.

Senator Porter said he wished to expand on Mr. Nix's previous comments regarding emergency response. Senator Porter apprised the subcommittee that the community of Boulder City was first response to the National Recreation Area, the highway to Searchlight, and surrounding area. Senator Porter suggested that Boulder City would add something unique to the overall process because it was a community of interests and a community that has always opened its arms to veterans. Although Boulder City is an urbanized community in the Las Vegas Valley with major growth challenges, Senator Porter said Boulder City was proud of its planned growth and what it represents and he thought there would be a natural relationship between the Veterans' Home and the community.

Mr. Sullard pointed out that Boulder City's growth policy was fairly clear in that it does not allow more than 120 homes to be built each year. Mr. Sullard also estimated that there were only about 400 to 600 lots remaining in private ownership. Boulder City owns all of the land depicted in the map, plus the entire El Dorado Valley, which encompasses approximately 200 square miles of land and the majority of that land has been dedicated to open space that will never be developed. The view from the site across the El Dorado Valley to the Dry Lake and the surrounding mountains will never be diminished. The only planned development is golf-related facilities. Mr. Sullard suggested that the fact that this site would never be encroached upon by residential or commercial development was an added benefit.

Chairman Raggio asked Ms. Wilcox in Carson City if she had any additional comments. Ms. Wilcox said she thought the proposal sounds like a very doable thing.

Chairman Raggio recognized Mr. Robert Uithoven, Field Director for Congressman Jim Gibbons. Mr. Uithoven read for the record a letter from Congressman Gibbons, which is as follows:

Our state delegation has worked very hard to bring a state Veterans' Home to Nevada. Nevada is one of the only states to not have such a home, though we have the highest percentage of veterans in our population of any other state in the Union. The coalition of veterans' groups, state legislators, and the Congressional committees with the funding jurisdiction for veterans affairs have been successful in securing the federal and state funding necessary to keep this promise to those who have sacrificed for the freedom we enjoy.

Recently, there have been concerns over the land on which the home is to be built. I appreciate the assistance that the coalition, the U.S. Air Force, the engineers, and the state Veterans' Commission have provided, as we have worked through this last-minute issue. I feel confident that the selection of a Las Vegas site will not be significantly delayed and that federal funding for the project will be protected. Las Vegas was selected as the site for the Home because it best met the needs of our Nation's veterans and their families. The bottom line is that we have a commitment to take care of our veterans and address their concerns. I strongly believe that we have to keep this critical project on track, in Las Vegas, and I join with Nevada's veterans in conveying our appreciation for all your support in this joint endeavor.

Chairman Raggio said he wished to extend the subcommittee's appreciation to Congressman Gibbons for all of his efforts throughout the entire process.

Chairman Raggio recognized Mr. Hugh Ferree, Regional Representative for U.S. Senator Harry Reid. Mr. Ferree read into the record Senator Reid's prepared comments to the subcommittee, and a copy of which is included in the meeting minutes as Exhibit D. In summary, Senator Reid stated:

***I remain hopeful that the necessary work on the State of Nevada's application will be completed well in advance of the deadline. Should there be a delay, the Secretary of Veterans Affairs has been notified of Nevada's site challenge. As I stated several months ago when the state was holding hearings on the establishment of a state Veterans' Home, our veterans need and deserve this Home. I pledge to your subcommittee, and the veterans of this state, that I will do what is necessary to ensure the federal commitment remains in place. The time to site this Home is upon us and I wish your subcommittee the very best in making this important decision. I remain

available to help you, or the veterans in the State of Nevada, to bring this Home to completion.

Chairman Raggio noted that Congressman John Ensign had called him several days to urge action on the part of the subcommittee. Chairman Raggio said he wished for the record to reflect that all of the members of Nevada's Congressional Delegation have been supportive throughout the entire process.

Chairman Raggio recognized Mr. Ed Gobel, Council of Nevada Veterans' Organization (CONVO). Mr. Gobel said he was also National Director of Veterans in Politics (VIP) and a proud member of the Disabled American Veterans (DAV), Jewish War Veterans (JWV), and other veterans' organizations. Mr. Gobel said he had heard many things today about Boulder City and he personally thought Boulder City was a phenomenal community because of its long-standing support of veterans. Mr. Gobel also thanked Senator Porter and Assemblywoman Segerblom for their participation as well. It was Mr. Gobel's belief that the overriding issue was the visitation problem. If it only takes 15 to 20 minutes to drive from Las Vegas to Boulder City, according to prior testimony, Mr. Gobel suggested that the highway construction money for the "Spaghetti Bowl" be refunded to the federal government. He also suggested that the availability of two helicopters for the entire Las Vegas Valley was another issue.

Mr. Gobel said he was pleased when the decision was made by the Interim Finance Committee, on September 18, 1997, to site the Veterans' Home at 5th and Craig Street because the skilled nursing facility would have been near a large concentration of veterans. Mr. Gobel said he thought the therapeutic value of visitations was extremely important in terms of the survival of veterans confined to a nursing facility. Mr. Gobel said it would take 2-½ hours on the bus each way to reach Boulder City from his home on Cheyenne and Rainbow in Las Vegas, if the bus was on schedule in order to make the necessary connections.

Regarding the proposed 900-bed facility, in Mr. Gobel's opinion there was no justification statistically or factually that Nevada would ever qualify for a 900-bed facility in the next 25 years. As far as the savings on utilities to be derived at the Boulder City site, Mr. Gobel suggested that the high cost of labor would offset those savings because workers would not be able to afford housing in Boulder City, necessitating a commute from the Las Vegas Valley area. Also, the existing facilities in Boulder City would have to compete with the Veterans' Home for that work force. Mr. Gobel noted that he had spoken with Mr. Raecke, who was staying at the Gold Strike Casino when the fire broke out early this morning, and Mr. Raecke indicated that a water shortage had been encountered when firefighters started breaking down the fire. It was Mr. Gobel's belief that a significant portion of the estimated \$1.5 million to \$2 million site development costs at 5th and Craig Street site would be shifted to the people as a result of the transportation costs involved in visiting the Boulder City site, although he agreed it was aesthetically superior to the 5th and Craig Street site. Mr. Gobel said he had not heard many definitive answers regarding the Boulder City site.

Chairman Raggio told Mr. Gobel it would be helpful to the subcommittee's mission if he could provide his organization's site preference. Mr. Gobel said his group's first choice was to build the Veterans' Home on the southern section of the 5th and Craig Street site. Since it was his understanding that a second Veterans' Home would eventually be built in northern Nevada in Reno, Mr. Gobel said he did not believe there would be a need to secure additional federal funding for at least 10 years because Nevada would lose its number 1 priority status once the Veterans' Home has been built. According to Mr. Gobel, his group's fall-back and less desirable choice would be the Boulder City site. He said, however, rather than relying on CAT he would hope that the state could find a better way of transporting relatives and friends to Boulder City.

Chairman Raggio said he had heard testimony today that indicated CAT operates a 20-minute bus schedule between Las Vegas and Boulder City and he asked Mr. Gobel if he would agree with that statement. Since it would take him 2-½ hours each way on the bus to get to Boulder City from his home, or 5 hours for a round trip, if the bus was on schedule, Mr. Gobel suggested that this would probably mean less visitation for the veterans if the Veterans' Home were to be located in Boulder City. He also thought that being able to meet CAT's 20-minute bus schedule was as optimistic as being able to drive the freeway from Las Vegas to Boulder City in 20 to 25 minutes.

Senator Porter said he wished to take great exception to Mr. Gobel's prior comments about the Gold Strike Casino fire because he did not believe the subcommittee was the appropriate forum to discuss such a matter. Mr. Gobel said his comments were not intended to be taken seriously. Senator Porter thanked Mr. Gobel for the clarification. Senator Porter said he first wished to extend his support to the owners of the Gold Strike Casino, who have a great task before them in restoring the property, and to the employees who have lost their employment. In addressing the alleged water shortage, Senator Porter noted that the Gold Strike Casino was a corporate entity, within an island of Clark County, in the National Recreation Area, and did not function as a corporate lease of Boulder City. He said, however, the casino was served by Boulder City for emergency and rescue purposes. It was Senator Porter's understanding that the Gold Strike Casino has a contract with Boulder City to purchase water. The shortage of water was based on the amount of water purchased by the casino and would have nothing to do with the actual corporate limits of Boulder City to provide adequate water to the Veterans' Home. Mr. Gobel apologized for any misconception his previous remarks may have caused; however, he thought he had clearly stated that he was thankful Mr. Raecke and other people were not injured during the fire.

Chairman Raggio wanted to know if Boulder City wished to respond to Mr. Gobel's prior comments about the labor force. Mr. Sullard disagreed that there was a significant difference in the cost of labor between Boulder City and the Las Vegas Valley. It was Mr. Sullard's belief that there would be a labor force that would be willing to accept less salary to live in Boulder City so they would not have to commute 30 miles or farther each day. Regarding the skilled labor market, Mr. Sullard said he had talked with the Executive Director of Boulder City Hospital who felt that a skilled nursing facility would be a good adjunct to Boulder City Hospital and would not necessarily have an adverse effect on its labor supply nor its ability to provide services to the community.

As he previously indicated at the beginning of the meeting, Chairman Raggio said he would recognize those individuals who had indicated a desire to testify in the order in which their names appear on the sign-up sheet. Chairman Raggio recognized Mr. Lowell W. "Si" Seidensticker, Senior Coordinator for Nevada's Republican Party, who said he was not speaking on behalf of the party, but rather on senior issues. Mr. Seidensticker said the question of visitation concerned him more than any other issue addressed today because of a recent hospital stay. Mr. Seidensticker noted that his wife, who is 82, and has a heart condition and arthritis, found it very difficult to drive back and forth from their home to the hospital to visit him because of the heavy traffic. Mr. Seidensticker said he had contacted Greyhound Bus Line and the CAT regarding bus service to Boulder City and was told that Greyhound has no bus service and that CAT runs a bus every hour. Since he lives in the Sun Rise Mountain area, it was Mr. Seidensticker's opinion that his wife would have to travel 2 miles to the bus stop and then take the bus to Boulder Highway, where it would be necessary to transfer to another bus to get to Boulder City. The trip would take approximately 2 hours each way. Mr. Seidensticker said that he also called a taxicab company and was told that a \$60 deposit was required to take a cab one-way to Boulder City, a cost few veterans could afford. Since he thought it was important for family and friends to be able to visit the veterans in the nursing facility, Mr. Seidensticker said his problem was getting to Boulder City, not the site location.

Chairman Raggio thought Mr. Seidensticker's points were very well taken and were of a concern to the subcommittee. Chairman Raggio said there were only two other sites available; i.e., southern portion of 5th and Craig Street site, which has build-out limitations, and the Range Road site. Chairman Raggio said he was not sure whether either one of those sites would be more accessible to Mr. Seidensticker's home in the Sun Rise Mountain area. Mr. Seidensticker said it was his understanding that a bus would in the near future be stopping within a quarter of a mile from his home; however, the bus would go to Nellis Boulevard, where it would be necessary to transfer to another bus to get to Boulder City. Chairman Raggio told Mr. Seidensticker that although the subcommittee could defer action and look for additional potential sites, it would delay the process.

Chairman Raggio recognized Mr. Jim Martin. Mr. Martin said he was a member of the Nevada Commission for Veterans Affairs, but would be speaking in his capacity as the Department Commander of the Reno Chapter of the VFW. Mr. Martin noted that the VFW had strongly supported the 5th and Craig Street site in the beginning because it was the best location based upon information available at that time. Because of the soil problems subsequently discovered at the 5th and Craig Street site, Mr. Martin said the VFW now wishes to lend its support to the Boulder City site and urges the subcommittee to make a determination as expeditiously as possible.

It was Mr. Martin's understanding that some of the 900 beds would eventually be used for domiciliary purposes. Mr. Martin added that VFW believes that the transportation problems can be worked out through the establishment of a shuttle service such as the disabled vans currently available at the VA facility. Although he did not wish to offend anyone, Mr. Martin asked the record to reflect that the subcommittee should not make its decision based primarily on visitations. Mr. Martin indicated that although the nursing home where he works as a volunteer is located in downtown Reno and within walking distance from bus stops, the majority of the veterans rarely have visitors. It was Mr. Martin's belief that the nursing facility for the veterans should be built in an area that will ensure the veterans have a quality environment because the staff and volunteers would, for the most part, be taking the place of family members. Mr. Martin also suggested that the estimated \$1 million projected to be saved in utility fees at the Boulder City site would pay for transportation costs for many years. Mr. Martin also asked that the record reflect that the VFW, as an organization, does not recognize CONVO or VIP.

It was Chairman Raggio's understanding that a poll or survey had been conducted by several of the veterans' groups. Mr. Martin apprised the subcommittee that the VFW, at its state convention held in Pahrump over the past weekend, voted to support the Boulder City site as an alternative to the 5th and Craig Street site. He said representatives of other veterans' organizations were in the audience and would be speaking for their groups.

Although he was aware that some of the veterans' groups have a different viewpoint, Chairman Raggio thought the veterans were united in the need for a Veterans' Home and ought to have a priority voice in the selection of the site. When the legislature tabled the Veterans' Home bill three years ago, Mr. Martin recalled that the VFW, as an organization, had picked up the challenge to secure a united front. Working with the Commission for Veterans' Affairs, under the able leadership of Chuck Abbott, Mr. Martin felt that the VFW had accomplished this challenge over the past two years. While he would agree that there are differences of opinion among the various veterans' groups, Mr. Martin said that as the official spokesman for the VFW, the VFW wishes to recommend the Boulder City site.

Chairman Raggio recognized Ms. Mary Shope, a Boulder City resident, and a native Nevadan. Ms. Shope said she wished to share her view on the issue of visitation. If the Veterans' Home were to be located in Boulder City, Ms. Shope said she wished to assure the veterans' groups that the veterans would not be forgotten. Since Boulder City is a safe town, family members and friends visiting the veterans would be able to walk on the streets and feel safe at any hour of the day. Boulder City has a slower pace and is friendlier. Boulder City has a number of senior activities sponsored through the Parks and Recreation Department. As a member of American Legion Post No. 31, Ms. Shope said the Women's Auxiliary would assist the veterans in any way possible. Speaking to the issue of distance and transportation, Ms. Shope noted that the CAT provides excellent service to the proposed site, park, library and shopping areas in Boulder City. Although she recognized that the bus trip from Las Vegas to Boulder City takes a considerable length of time, Ms. Shope said the Women's Auxiliary had contacted representatives of CAT on numerous occasions to ask them to address the public transportation issue by the implementation of an express service from Las Vegas to Boulder City. In concluding her testimony, Ms. Shope said it would be an honor to have the veterans be participants and members of Boulder City, and she expressed her appreciation to all of the veterans who have fought in wars to give everyone their freedom.

Representing Chapter 11, the largest DAV chapter in Nevada, Mr. Bill Brzezinski suggested that it would take approximately the same length of time for those people living in the southwest or downtown section of the Las Vegas Valley to travel by bus to the Range Road site as it would to the Boulder City site because of the traffic. Although the USAF tried to help the veterans by donating the land at 5th and Craig Street, engineering experts later determined that it would not be feasible to build on the land. The USAF has recently offered another parcel of land on the southern portion of the 5th and Craig Street site, but unfortunately it has the same soil condition because it is only 50 feet from the original site. Mr. Brzezinski said he could see nothing but delays and additional costs if the second 5th and Craig Street site were to be selected. Regarding the Range Road site, Mr. Brzezinski said he did not believe this site was conducive to peace and quite because it was surrounded by a railroad, freeways, junkyards, and jets taking off and landing at Nellis Air Force Base. In addition, there is no access to public transportation. In his opinion the requirement for locating the Veterans' Home in a reasonable proximity to a Level II trauma center was a specious point because the incidence of trauma in a skilled nursing facility was

negligible.

Chairman Raggio told Mr. Brzezinski that the requirement for locating the Veterans' Home in a reasonable proximity to a Level II trauma center was required both in the enabling federal and state legislation and that the subcommittee had no alternative but to abide by that requirement. Since he thought that the Veterans' Home would be inconvenient to reach by some people no matter where it was located, Mr. Brzezinski said that Chapter 11 of the DAV had voted to support the Boulder City site.

Mr. Anthony "Tony" Delgado indicated that he was the Republican candidate for Assembly District 22 in Clark County. As a 30-year Army veteran, a senior citizen, and a businessman, Mr. Delgado said he had opted to testify today because he wanted to see the Veterans' Home built as quickly as possible at a minimum cost.

Speaking as the Chairman of the Steering Committee for the Veterans' Home, Mr. Jack Daniel said he first wished to commend all of the people who were involved in conducting the feasibility study. Mr. Daniel said he also wished to state that 95 percent of a 15-member coalition of veterans in Clark County had voted to support the Boulder City site. Chairman Raggio wanted to know whether the vote was taken before the 5th and Craig Street site was selected and Mr. Daniel responded affirmatively. Although several people have called him to complain about the distance from Las Vegas to Boulder City, Mr. Daniel suggested that those people were forgetting that veterans from Winnemucca, Elko and other parts of the state would be entering the Veterans' Home. Mr. Daniel said he was confident that CAT had the wherewithal to solve any transportation problems that might arise. In addition, the VA vans would be placed at the veterans' disposal should they be needed with a simple phone call. According to Mr. Daniel, all of the veterans in the coalition are determined for the process to succeed and would love to have the Veterans' Home located in Boulder City.

Speaking from Carson City, Mr. Bruce Bertram apprised the subcommittee that 100 percent of the members of Chapter 388 of the Vietnam Veterans of American (VVA) have endorsed the Boulder City site. Mr. Bertram urged the subcommittee to make an expeditious decision; otherwise, the federal funding might be lost.

In speaking from Carson City, Mr. Ron Kruse indicated that he was a retired Master Chief Petty Officer with the U.S. Navy, as well as a member of VFW Post No. 8583 and FRA No. 137 in Carson City and a member of VVA in Sonora, California. Speaking on behalf of the Fleet Reserve Association, Mr. Kruse said he concurs wholeheartedly with the comments made previously by Mr. Jim Martin. Mr. Kruse said he had been working on the Veterans' Home project for the last four years and thought that locating the Veterans' Home in Boulder City would be a bonafide bargain, especially from a construction standpoint.

Chairman Raggio recognized Mr. Dan Johnson, who said he was Commander of Chapter 12 of the DAV in Boulder City. Mr. Johnson said he wished to read for the record several paragraphs from his letter dated January 27, 1992, which he prepared for presentation to the subcommittee studying the feasibility of a Veterans' Home:

Since the VA will support 580 beds for a skilled nursing facility, based on 147,000 veterans statewide, we feel that we desperately need 300 beds to meet the immediate needs, which is approximately one-half the number the VA will support.

If one were to take into consideration the increased number of veterans in the area since 1992, Mr. Johnson suggested that 1,000 beds could be utilized immediately. As far as the location is concerned, Mr. Johnson said it was the DAV's belief that the Veterans' Home should be located near the center of the veteran population. Mr. Johnson said he had attended numerous Boulder City Council meetings, when Senator Porter was Mayor, regarding the availability of land for the Veterans' Home and the members of the City Council were very enthusiastic about the idea of having a Veterans' Home in Boulder City. Regarding the local transportation, the DAV purchases vans and transfers ownership to the VA. Since one van is currently stationed in Boulder City and one in Henderson, Mr. Johnson said the two vans would be available to provide service to the Veterans' Home. Speaking to the 5th and Craig Street site and the Range Road site, Mr. Johnson indicated that the Southern Nevada Water District (SNWD) recharges its wells with 8 billion gallons of water per day in the Las Vegas area; however, North Las Vegas and Nellis Air Force Base do not recharge their wells. According to Mr. Johnson, as

water is pumped out the water level would continue to decline unless the wells were recharged on a routine daily basis. In concluding his remarks, Mr. Johnson said Chapter 12 of the DAV wishes to go on record as supporting the Boulder City site.

Mr. Price asked Mr. Johnson if the vans would be available for family and friends who wish to visit veterans at the Veterans' Home. Since the DAV currently allows aides or family members to accompany veterans to clinics or hospitals, Mr. Johnson thought it might be possible to expand the usage to visitations.

Although he supports the Boulder City site, Mr. Brzezinski said he wished to clarify that the vans were donated to the VA to transport veterans to and from their medical appointments. Mr. Brzezinski indicated that family members would need to get permission from the VA to use the van to visit the Veterans' Home. Mr. Brzezinski said, however, he did not believe the VA would authorize the use of the vans for the general public to visit the Veterans' Hospital.

Chairman Raggio suggested that some type of a volunteer program would eventually need to be established to accommodate people who want to visit the Veterans' Home and it would be his hope that the veterans' groups would be in the forefront of such a movement. Speaking as one who had a mother in a skilled nursing facility, Chairman Raggio said he did not believe anything could be worse than having to live in a nursing facility without having someone visit from time to time. The law requires that the Veterans' Home not be located on less than 5 acres and that it be located in reasonable proximity to a public transportation system, shopping center, a Level II trauma center, and an area where family members can easily visit. Chairman Raggio said he had been coming to Las Vegas for a number of years and he could not visualize the perfect site for visitation purposes in the entire Las Vegas Valley because of the tremendous growth in the area. He acknowledged, however, that the necessity for a public transportation system was vital.

Mr. Brzezinski indicated that a number of the veterans' organizations, i.e., JWV, VFW, DAV, and others, intend to adopt the Veterans' Home as one of their projects for visitations, for Bingo, and for other social activities that would make a Veterans' Home more homelike. Mr. Brzezinski said that coming to Boulder City would not be a problem for the veterans' organizations because they were already placing flags at the Southern Nevada Veterans' Cemetery in Boulder City and attending ceremonies on a routine basis.

Chairman Raggio inquired as to whether anyone in the audience in Las Vegas or in Carson City wished to speak in opposition to selecting the Boulder City site and there was no response.

Chairman Raggio recognized Mr. Steve Clark, Deputy Executive Director, Commission for Veterans Affairs, who directed attention to a CAT schedule, which indicates a bus leaves Las Vegas for Boulder City every 20 minutes. He also apprised the subcommittee that Air Mobile from Henderson was awarded a contract yesterday to provide air ambulance service for area medical emergencies. According to Mr. Clark, Henderson was 3 minutes from Boulder City by helicopter. In addition, the Rose de Lima Hospital, a new hospital in Henderson, broke ground yesterday and will employ a professional staff of 600 people. If Henderson, which is located about 3 or 4 miles from Boulder City, can recruit 600 professional people to work at its new hospital, Mr. Clark suggested that the Veterans' Home would be able to recruit professional staff as well. Mr. Clark also noted that the active railroad located near Range Road transports hazardous materials and that the overpass for the "Beltway" would be located in this general area. In addition, Mr. Clark said he had visited the various sites numerous times and he recently observed a 20 foot by 3 foot deep water trench that crosses the 5th and Craig Street site. Also, as a result of the new housing development on Goldfield Road, he had observed a 6-inch water pipe that drains directly onto the land at 5th and Craig Street, as well as a 2-foot culvert that is 6 feet wide and 3 feet long that drains onto the land. It was Mr. Clark's belief that it would require a significant expenditure of the appropriated funds to make remedial repairs to those two sites.

Mr. Sam Ruvolo, the Commander of American Legion Post No. 40 in Henderson, which has approximately 450 members, noted that Post No. 40 supports the Boulder City site.

Mr. Francis Andrews, Commander for DAV in North Las Vegas, said his group wished to support the Boulder

City site. While placing flags on the graves at the Southern Nevada Veterans' Cemetery recently, Mr. Andrews said he asked a veteran in a wheel chair if he had encountered any problems using CAT to get to Boulder City and he responded that he had not had any problems with the bus service.

Speaking as Commander for the JWV, the Department of Nevada and Arizona, Department Judge Advocate for DAV, a member of the Steering Committee for the Veterans' Home, and a member of the veterans' coalition, Mr. Irving Finver said the JWV wishes to go on record as supporting the Boulder City site. He also noted that the JWV had collected approximately \$20,000 for amenities for the Veterans' Home and that the JWV believe the site at Boulder City will provide a beautiful setting for the veterans. Mr. Finver said his group intends to contact the prospective owners of the golf courses about putting in a three-hole "pitch and putt" course for the veterans' recreation. In addition, Mr. Finver indicated that the JWV had purchased two vans. One will accommodate 7 passengers and the second one will accommodate 15 passengers.

Speaking as a candidate for the U.S. Congress, District 1, Mr. Jim Blockey said he wished to urge the subcommittee to act expeditiously today in selecting a site on which to build the Veterans' Home so that the young people watching would understand the importance of taking care of our veterans who have laid down their lives to protect this country. Mr. Blockey said he hoped the issue of transportation would be resolved quickly because he thought visitation was very important to the well being of the veterans confined to a nursing facility. Since he thought the majority of the veterans' groups have indicated a desire to locate the Veterans' Home in Boulder City, Mr. Blockey said he wished to support the Boulder City site as well.

Chairman Raggio recognized Mr. Ed Gobel, who said he wished to apologize to the member organizations which he represents. Mr. Gobel said he would appreciate it if the members of the Subcommittee would take into consideration that he had been chosen as a spokesperson for those organizations rather than having each member come to speak. He stated that he hoped the Subcommittee would include that factor in its deliberations.

Chairman Raggio announced the closure of the public testimony.

6. DETERMINATION BY THE SUBCOMMITTEE REGARDING WHICH SITE TO RECOMMEND.

Chairman Raggio opened the meeting to subcommittee discussion.

Mr. Arberry said he had originally supported the Boulder City site because he thought it had more to offer than the other sites. Mr. Arberry noted that he had toured the Range Road site, which was surrounded by junkyards and a railroad, and felt that it was not a desirable location for the Veterans' Home. It was Mr. Arberry's belief that if he were a retired veteran with medical problems, he would rather live in a nursing facility where he could overlook the beauty of the surrounding area and where his family and friends would not have to go through a "maze" of junkyards to visit him. Mr. Arberry said he wanted to support the site where the veterans would be happy. Although he realized that some of the veterans would rather have the Veterans' Home located closer to Las Vegas, Mr. Arberry urged the subcommittee to support the Boulder City site.

Mr. Price said he was still undecided about where to locate the Veterans' Home. Mr. Price said he found it interesting that most of the veterans with whom he had contact prior to today's meeting had expressed a desire to site the Veterans' Home in Las Vegas because of the transportation concern. He said, however, it was evident that the majority of the veterans' organizations at the meeting today support the Boulder City site. Mr. Price said he would agree with Mr. Arberry that the Range Road site was undesirable. It was Mr. Price's understanding, however, that the USAF intends to build a facility in the general area of the 5th and Craig Street site. Mr. Price said his first choice would be to locate the Veterans' Home in Las Vegas if the state could afford the site development costs. He wished to commend all of the veterans' groups for their well-organized presentations.

Senator Jacobsen suggested that time was of the essence to build a Veterans' Home in Nevada. Since the subcommittee toured each one of the sites initially, Senator Jacobsen thought the subcommittee had completed its mission when it originally recommended the 5th and Craig Street site to the Interim Finance Committee. On the lighter side, Senator Jacobsen said that as a volunteer ambulance driver for Douglas County for 52 years he had

some fun runs and some serious runs. He related the time when a call was received that a man had been seriously injured in an automobile accident and both legs had been severed. While en route to the accident scene, Senator Jacobsen said he and an attendant were debriefing themselves on how best to treat the victim, especially how to stem the bleeding. Senator Jacobsen said when they arrived at the scene they discovered that the man was not bleeding, although both legs were missing. Senator Jacobsen asked the victim how he could assist him and the man replied that all he needed was "a little transportation and a little kindness." Although he realized that not everyone would agree with the subcommittee's decision today, Senator Jacobsen suggested that the location of the site was crucial to the well-being of the veterans and he intended to support the Boulder City site.

Since Senator Regan and Mr. Close were unable to attend the meeting, Chairman Raggio said that it was his understanding the four remaining members of the subcommittee would need to vote unanimously in order to make an appropriate recommendation to the Interim Finance Committee because a majority from each house was required. Chairman Raggio said he would entertain a motion.

SENATOR JACOBSEN MOVED TO RECOMMEND THAT THE BOULDER CITY SITE, CONSISTING OF 40 ACRES NORTH OF HIGHWAY 93, BE SELECTED AS THE SITE FOR THE SOUTHERN NEVADA VETERANS' HOME SUBJECT TO THE CONDITION THAT THE SITE CAN BE OBTAINED AT NO COST TO THE STATE, OTHER THAN THE POTENTIAL EXCHANGE FOR THE SOUTHERN NEVADA CHILDREN'S HOME PROPERTY, AND THAT TRANSFER OF TITLE TO THE PROPERTY DOES NOT REQUIRE THE APPROVAL OF THE VOTERS OF BOULDER CITY. SECONDED BY MR. ARBERRY AND MOTION CARRIED UNANIMOUSLY.

In view of the fact that a unanimous vote was required, Mr. Price said he had voted for the Boulder City site; however, he would assume that if additional information were to come forward between now and when the Interim Finance Committee meets on June 25, 1998, it could be dealt with at that point in time.

There being no further business to come before the subcommittee, Chairman Raggio adjourned the meeting at 1:05 p.m.

Senator William J. Raggio

Chairman, Interim Finance Committee

Subcommittee on Selection of Veterans' Home Site