

MINUTES OF THE MEETING
OF THE
LEGISLATIVE COMMISSION'S COMMITTEE TO CONTINUE
THE REVIEW OF THE TAHOE REGIONAL PLANNING AGENCY (TRPA)
(Senate Concurrent Resolution No. 2, File No. 15, *Statutes of Nevada 1997*)

June 12, 1998

Incline Village, Nevada

The fourth meeting of the Legislative Commission's Committee To Continue the Review of the Tahoe Regional Planning Agency (TRPA) (S.C.R. 2) was held on Friday, June 12, 1998, commencing at 9:10 a.m. The meeting was held in the Board Room at the Incline Village General Improvement District (IVGID), 893 Southwood Boulevard, Incline Village, Nevada. Pages 2 and 3 contain the "Meeting Notice and Agenda."

COMMITTEE MEMBERS PRESENT:

Senator Lawrence E. Jacobsen

Senator Mark A. James

Senator Michael (Mike) A. Schneider

Assemblywoman Marcia de Braga

Assemblywoman Vivian L. Freeman

LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:

Dave Ziegler, Senior Research Analyst/Contract

Brenda J. Erdoes, Legislative Counsel

M. Scott McKenna, Deputy Legislative Counsel

Susan Furlong Reil, Senior Research Secretary

MEETING NOTICE AND AGENDA

Name of Organization: Legislative Commission's Committee To Continue the Review of the Tahoe Regional Planning Agency (TRPA) (S.C.R. 2)

Date and Time of Meeting: Friday, June 12, 1998

9 a.m.

Place of Meeting: Incline Village General Improvement District

Board Room

893 Southwood Boulevard

Incline Village, Nevada

A G E N D A

***I. Opening Remarks and Introductions**

A. Introductions of Members

Senator Lawrence E. Jacobsen

B. Action on Minutes of March 13, 1998, Meeting

II. Status Report — Major Programs and Projects Related to the TRPA in the Lake Tahoe Basin

James W. Baetge, Executive Director, TRPA

III. The Use of Inmate and Volunteer Labor on Projects in the Basin

Jeffrey Fontaine, P.E., Deputy Director, Nevada Department of Transportation

Pamela B. Wilcox, Administrator, Division of State Lands

Pat Murphy, Deputy State Forester, Nevada Division of Forestry

Rochelle Nason, Executive Director, The League To Save Lake Tahoe

IV. Status Report — Efforts To Establish a Program for the Undergrounding of Overhead Utilities in the Lake Tahoe Basin

Andrew Strain, Senior Planner, TRPA

V. Transportation to Lunch on a Bus Powered by Natural Gas

James Brandmueller, Transportation Projects Manager, Nevada State Energy Office

VI. Public Testimony

NOTE: Testimony is especially solicited as it relates to the recommendations in the attached "Workshop Document."

*VII. Committee Discussion and Adoption of Recommendations

NOTE: After receiving public testimony, the Committee will take final action on recommendations discussed during the course of the study. An outline of recommendations proposed during the study is contained in the attached "Workshop Document."

*VIII. Committee Discussion of Actions to Implement the Adopted Recommendations

Senator Lawrence E. Jacobsen

IX. Adjournment

*Denotes item on which the Committee may take action.

Note: We are pleased to make reasonable accommodations for members of the public who are disabled and wish to attend the meeting. If special arrangements for the meeting are necessary, please notify the Research Division of the Legislative Counsel Bureau, in writing, at the Legislative Building, 401 South Carson Street, Carson City, Nevada 89701-4747, or call Susan Furlong Reil at 702/684-6825 as soon as possible.

Notice of this meeting was posted in the following Carson City, Nevada, locations: Blasdel Building, 209 East Musser Street; Capitol Press Corps, Basement, Capitol Building; Carson City Courthouse, 198 North Carson Street; Legislative Building, Room 1214, 401 South Carson Street; and Nevada State Library, 100 Stewart Street. Notice of this meeting was faxed for posting to the following Las Vegas, Nevada, locations: Clark County Office, 500 South Grand Central Parkway; Grant Sawyer State Office Building, 555 East Washington Avenue.

OPENING REMARKS AND INTRODUCTIONS

The meeting was called to order at 9:10 a.m. by Senator Lawrence E. Jacobsen. All Committee members were present. On behalf of the Committee, Senator Jacobsen extended thanks to IVGID for the use of its facilities and for providing refreshments.

An announcement was made by Senator Jacobsen that Brian E. Sandoval, the former chairman of the Committee, had resigned his seat in the Assembly. As the Committee has no vice chairman, Senator Jacobsen was asked to assist in directing and facilitating discussion at the meeting.

Senator Jacobsen led the group in the pledge of allegiance.

INTRODUCTION OF MEMBERS

The Committee members introduced themselves and described the districts they represent.

ACTION ON MINUTES OF MARCH 13, 1998, MEETING

SENATOR JAMES MOVED FOR APPROVAL OF THE MINUTES OF THE COMMITTEE'S MEETING HELD ON MARCH 13, 1998, IN INCLINE VILLAGE, NEVADA. THE MOTION WAS SECONDED BY SENATOR SCHNEIDER AND CARRIED UNANIMOUSLY.

M. Scott McKenna, Deputy Legislative Counsel, Legal Division, Legislative Counsel Bureau (LCB), indicated that before his resignation, former Assemblyman Brian E. Sandoval requested an opinion letter on behalf of Don Kornreich, of Incline Village, regarding whether a public entity may install parking meters within public places in the Lake Tahoe Basin (Basin). Summarizing his opinion letter (Exhibit A), Mr. McKenna stated that his review of the Tahoe Regional Planning Compact revealed nothing that would prohibit the installation of parking meters.

STATUS REPORT — MAJOR PROGRAMS AND PROJECTS

RELATED TO THE TRPA IN THE LAKE TAHOE BASIN

James W. Baetge

James W. Baetge, Executive Director, Tahoe Regional Planning Agency (TRPA), reported on the status of major programs and projects in the Basin, covering the following points:

- Roland D. Westergard resigned his position as the State Department of Conservation and Natural Resources' representative on the TRPA Governing Board. Mr. Westergard's seat on the TRPA Governing Board has been filled by Wayne R. Perock, Administrator, Division of State Parks, State Department of Conservation and Natural Resources.
- The TRPA was without legal representation for a period of time due to the fact that its Chief Counsel, Rachelle Nicole, went into private practice, and its Special Projects Attorney, Susan Scholley, relocated to the East Coast. After reviewing approximately 90 applications and interviewing various candidates, John Marshall, of the United States Department of Justice, was chosen to assume the position of Chief Counsel commencing July 1, 1998. During the interim, the position is being filled by Mary Scoonover, Deputy Attorney General, California's Office of the Attorney General.
- Andrew Strain, Senior Planner, TRPA, will be leaving the employ of the TRPA to accept a position at the American Ski Corporation. In his new position, Mr. Strain will oversee implementation of the water quality improvement master plan for Heavenly Valley Ski Resort.
- The \$908 million Environmental Improvement Program (EIP) agreement is nearing completion. Funding for the EIP will be shared as follows: (1) one-third in federal funds; (2) a total of one-third from the States of Nevada and California; and (3) one-third from the "private public."
- He introduced Eric Wong of Arthur Bower and Associates, who will be conducting the "Alternative Revenue Sources Study." Committee members were encouraged to approach Mr. Wong directly with any questions or concerns regarding the study.
- As part of the "Alternative Revenue Sources Study," focus groups have met in the Basin and in Sacramento, California. A telephone questionnaire is also planned to gather additional suggestions for generating revenue.
- Interested federal agencies are meeting on June 11 and 12, 1998, to discuss their EIP projects and funding for those projects.
- Budget allocations of the States of Nevada and California for EIP projects have been consistent thus far, with the exception of one item which was not funded by California during its original budget cycle. The TRPA was advised to appear before Nevada's Interim Finance Committee after California took action on this item.
- The Transportation Equity Act for the Twenty-First Century (TEA 21) (Public Law 105-178) recently signed by the President authorizes formation of a Metropolitan Planning Organization (MPO) for the Basin. He complimented Steve Teshara, Executive Director, Lake Tahoe Gaming Alliance and Co-Chair, Lake Tahoe Transportation and Water Quality Coalition (LTTWQC), for his efforts in this regard.
- The Tahoe Research Group was granted an \$880,000 contract to create a water-quality model for Lake Tahoe (the Lake). The initial work on the contract has been completed, and the Tahoe Research Group is now able to more accurately pinpoint the sources of runoff, discharge points, the effect of runoff relative to the streams, and the ultimate impact on the nutrient level of the Lake. This valuable information will assist the TRPA and its partners in determining what land coverage changes will most benefit the Lake and thus ensure the EIP includes the appropriate project priorities and funding.

- Projects taking place around the Basin include the following:

1. Construction is underway on Nevada's Department of Transportation's (NDOT) Memorial Point Overlook Project.
2. The TRPA is utilizing NDOT's Master Plan as a model of how other interested parties may effectively participate in the EIP. The Master Plan identifies and describes EIP projects and designates the party responsible for carrying out each project.
3. Work on the remaining section of U.S. Highway 50 is currently underway.
4. Improvements to the Round Hill Mall are near completion. Once this project is finished, runoff from the mall will be collected and treated before it is conveyed to the Lake.
5. An allocation has been approved for the Primm Project on Kingsbury Grade. Upon completion of the project, runoff from Kingsbury Grade will be collected and treated.
6. A project to control drainage from all of the casino core at Stateline, Nevada, will commence early in 1999.
7. Demolition will commence early next year to make way for implementation of the Park Avenue Project and the Heavenly Valley Master Plan.
8. The Coordinated Transit System (CTS) should be operational by May of 1999.
9. It is likely that Meeks Lumber, which is currently located in the watershed of Trout Creek, will relocate within the next couple of years.
10. The Tahoe City Transportation Terminal at the 64-acre tract is nearly funded and construction is expected to commence in 1999. This project will provide remote parking and access to public transportation into Tahoe City, California, and other locations around the Lake.
11. It is anticipated that the Tahoe City Urban Improvement Project, which will provide facilities to capture and treat runoff throughout most of Tahoe City, will be finished this year.
12. The Lakeside Bicycle Trail Project that will connect a network of trails is nearing approval.
13. Safeway is building a new store at Kings Beach, California. As part of this project, Safeway plans to restore wetlands and to treat runoff from the golf course and from the store before it reaches the Lake.
14. The Brockway Grade Project, which will ultimately control the runoff from State Route 267 down into the golf course, will begin this year.
15. Restoration of the Snow Creek watershed was delayed until next year due to excessive truck traffic from other construction projects.
16. The North Shore Scenic and Water Quality Project planned for the North Shore's casino core has been fully funded.

Senator James questioned whether it was possible for a developer to obtain an indefinite exemption from installing water collection and treatment facilities. Mr. Baetge explained that the Clean Water Act (CWA) [33 U.S.C. 1251 et seq. (1972)] clearly requires the retrofitting of such properties over time. Continuing, he reported that the Federal Government plans to release a "Clean Water Action Plan" which will provide new direction for the CWA beginning in 1999. Under debate for some time has been the issue of whether runoff from highways and urban areas can be appropriately treated in a economical manner. He noted that the Basin is more progressive in addressing the problems

caused by runoff than other areas of the country.

Mr. Baetge continued his summary of Basin projects, covering the following topics:

- While many EIP improvements have been built or are under construction, long-term maintenance and operation of facilities has not yet been adequately addressed. The TRPA is meeting with NDOT and California's Department of Transportation (CalTrans) every two months to develop a plan to address these issues.
- The TRPA has been successful in obtaining research data (at a cost of approximately \$500,000) which will demonstrate the impact of the use of two-stroke carbureted engines on the Lake's water quality.

Senator Schneider questioned whether the manufacturers of water craft are willing to provide data regarding the amount of fuel that is discharged into the Lake while a water craft is operating. Responding, Mr. Baetge reported a lawsuit was filed by manufacturers against the TRPA, and the TRPA is currently in settlement discussions with those manufacturers. The fact that two-stroke engines discharge fuel into the Lake is undisputed. The question which remains to be answered is how quickly the manufacturers will be able to produce and offer for sale engines that do not create that same type of discharge. California's Air Resources Board plans to adopt a discharge standard that will apply throughout the State of California by December of 1998. The TRPA expects that by working with the Air Resources Board, it also will be able to develop a discharge standard in the near future. In the meantime, efforts to reach a resolution to the lawsuit filed by the manufacturers continue, with a meeting set for June 25, 1998, to discuss the manufacturers' delivery schedule on the new engines.

Mr. Baetge concluded his presentation, discussing the following topics:

- The legal costs incurred by the TRPA in addressing the issues facing the Basin are at a peak. While the TRPA does not anticipate seeking additional funding for legal costs at this point in time, it may be necessary to do so in the next fiscal year.
- At the recommendation of the Forest Health Consensus Group, the TRPA recently adopted an ordinance prohibiting the cutting of trees over 30 inches in diameter. The United States Department of Agriculture, Forest Service (Forest Service), is aware of the new ordinance. It is expected that the ordinance will change timber operations throughout the Basin.
- The State of California agreed to fund \$80,000 of the \$100,000 needed to conduct the Alternative Revenue Sources Study provided that matching local funds for the remaining \$20,000 were obtained. The TRPA was successful in raising the local matching funds, and the study is now underway.

Assemblywoman de Braga asked if the newly adopted ordinance which prohibits the cutting of certain old growth timber will impact efforts to control the beetle population. Mr. Baetge explained that it is most often not economically feasible to contract with a timber operation in the Basin. For this reason, instead of utilizing standard bid procedures, the Forest Service is contracting with companies to remove certain trees from the Basin. He predicted that a different method of conducting timber operations in the Basin is evolving.

Senator Jacobsen expressed the thanks of the Committee to Mr. Westergard for his untiring service to the TRPA and welcomed Mr. Perock as the State Department of Conservation and Natural Resources' representative on the TRPA Governing Board.

THE USE OF INMATE AND VOLUNTEER LABOR ON PROJECTS IN THE BASIN

Jeffrey Fontaine, P.E.

Jeffrey Fontaine, P.E., Deputy Director, NDOT, Carson City, discussed issues regarding the use of inmate labor, covering the following topics:

- The NDOT began employing inmate labor approximately two years ago. In Fiscal Year (FY) 1997, it did not utilize such labor in the Basin; however, it spent approximately \$308,000 statewide on inmate labor. The NDOT's statewide inmate labor costs for FY 1998 total approximately \$290,000 through April 30, 1998, and the cost of Conservation Camp labor crews for Basin projects through May 30, 1998, is approximately \$3,800.
- Conservation Camp labor crews provide their own food and water, hand tools, portable sanitation huts, and transportation. The crews are used primarily for maintenance activities that do not require skilled labor such as clearing drains and stacking wood. Inmates may not operate equipment or provide labor on projects where NDOT has hired a private contractor.
- The use of inmate labor has been successful thus far, and NDOT plans to expand the use of such labor for maintenance activities wherever possible.
- Narrow rights-of-way on highways in the Basin limit NDOT's ability to employ inmate labor in that region.
- The parameters of construction and maintenance projects differ, and NDOT needs to more clearly define the activities which fall into each of these categories.
- It is difficult to break out the costs of materials versus labor on construction and erosion control projects as these items are not listed separately in the contractors' bids. However, as a general rule, NDOT estimates that labor costs comprise approximately 40 to 50 percent of total erosion control construction expenses.
- He provided the Committee with a copy of Attorney General Opinion No. 92-8 (Exhibit B) dated October 6, 1992, and summarized the conclusions reached by the Office of the Attorney General as follows:
 1. While state inmates may be used as labor on public work projects, their employment must not be favored over that of private employees and may only have an insignificant impact on private labor.
 2. If an inmate is employed by a private employer/contractor or the awarding governmental agency on a public project costing more than \$100,000, he or she must be paid the prevailing wage for the classification of work performed.
- It is his understanding that if inmate labor is provided by Nevada's Department of Prisons or Nevada's Division of Forestry (NDF) for a construction project, those inmates are not employees of the State. However, if inmate labor is contracted out to a private employer or contractor, those inmates must be compensated at the prevailing wage for their labor.
- In light of the guidelines set forth in AGO 92-8, he is of the opinion that the use of inmate labor on NDOT construction projects would create a number of difficult issues.
- Volunteer labor is utilized on a limited basis in the Basin. Approximately 12 groups currently participate in litter pickup along the highways. Each group is responsible for a minimum two-mile section of the highway and picks up litter four times per year. The NDOT provides the volunteers with materials and picks up the bagged litter.

Responding to questions from the Committee, Mr. Fontaine made the following comments:

- The NDOT does not execute construction projects; rather, it enters into agreements with private contractors to undertake such activities. Any use of inmate labor on construction projects by private contractors would require negotiation between NDOT and the contractor. However, NDOT would welcome an opportunity to use more inmate labor on maintenance projects.
- Litter pickup in rural areas is performed by inmates pursuant to agreements between NDOT and NDF.

Rick Jones, Resource Management Officer, Western Region, NDF, added that the NDF has a Conservation Camp crew in Silver Springs, Nevada, which provides this service along U.S. Interstate 80 and some other roadways.

Senator Jacobsen spoke in favor of the use of inmate labor, requesting that the audience remain mindful of the fact that inmates who work on public projects have not committed capital crimes. He pointed out that the use of Conservation Camp crews is not intended to create job displacement in the private sector but to accomplish goals that would otherwise be unattainable due to state budgetary constraints. In support of his position, he noted that Nevada's two national cemeteries located in Fernley and Boulder City would be unable to function effectively without the use of inmate labor. Continuing, he reported that the State of California recently sanctioned the use of inmate labor in the Basin. Approximately 2,500 inmates are stationed at the Conservation Camps, creating an added benefit to the State in the form of reducing housing costs.

Don Kornreich, a private citizen, Incline Village, reported that inmate labor has been used to perform defensible space work on public lands and to pick up litter along State Route 28 in Incline Village and Crystal Bay, Nevada.

Senator James expressed concern that AGO 92-8 may be viewed by NDOT as an impediment to the use of Conservation Camp crews. Referencing the statute which provides that inmate labor must not have a significant effect upon the number of jobs available to residents, he pointed out that the projects which employ Conservation Camp crews would likely be abandoned were it not for the availability of such inexpensive labor. He emphasized that it is the Committee's intent to support the use of inmate labor on projects which otherwise would not be feasible.

Mr. Fontaine stated that AGO 92-8 does not necessarily impede NDOT in its efforts to utilize Conservation Camp crews. He pointed out that inmate labor can be used for maintenance projects and acknowledged that NDOT needs to extend its definition of the type of projects which fit this category. Continuing, he noted that the use of inmate labor on construction projects presents a larger problem. The NDOT cannot supervise inmate labor on large construction projects; hence, inmates would need to be employed by the contractors. While AGO 92-8 does not prohibit inmates from being employed by contractors, such an event would require: (1) that the contractor compensate inmates at the prevailing wage; and (2) that NDOT be able to demonstrate that the use of such labor will not impact other workers.

Mike Del Grosso

Mike Del Grosso, Senior Planner, Division of State Lands, Nevada's Department of Conservation and Natural Resources, Carson City, reported that Pam Wilcox, Administrator, Division of State Lands, had been detained in Tonopah and would be unable to attend the meeting. Mr. Del Grosso addressed the use of prison labor by the Division of State Lands, covering the following topics:

- The Division of State Lands began employing inmate labor in August 1993 primarily for the purpose of reducing fuels such as trees and brush on state-owned parcels of property. A total of 91 crew days were used by the Division in 1997 at a cost of \$56,000. The Division expects the number of crew days utilized in 1998 to increase to 100.
- Since August 1997, the Division has attempted to use dedicated Conservation Camp crews as they afford a reliability not available with crews that are also assigned to perform other duties such as fighting fires. In the past, Conservation Camp crews would be called to leave a project before the work was completed, which in turn impacted other work that needed attention.

Mr. Del Grosso offered the following remarks in response to questions from the Committee:

- The Division of State Lands always welcomes the opportunity to employ additional Conservation Camp crews.
- It is his understanding that the inmate crews provided to the Division of State Lands are stationed in Silver Springs, Nevada.
- Weather conditions limit the amount of time which can be spent on projects in the Basin.
- The Division of State Lands does own some large parcels. The typical size of a small parcel ranges from one-quarter to one-half of an acre. The Division is responsible for approximately 350 lots in Washoe County, Nevada,

and 151 lots in Douglas County, Nevada.

Patrick M. Murphy

Patrick M. Murphy, Deputy State Forester, NDF, Carson City, reviewed the history of the Conservation Camp Program and discussed issues relative to the use of inmate labor by the NDF, covering the following topics:

- The first Conservation Camp was created 40 years ago at Spooner Summit. In the late 1970s, the Legislature approved a major expansion of inmate camps, and there are currently ten such camps statewide.
- Inmate laborers primarily serve as fire crews and perform conservation work. The guidelines set forth in AGO 92-8 (Exhibit B) have caused them to carefully examine the types of projects on which inmates may work and their project selection criteria.
- The Conservation Camp Program is the product of a contractual agreement entered into between the Department of Prisons and the NDF wherein the NDF employs prison labor to carry out conservation work and the Department of Prisons utilizes the bed space afforded by the Conservation Camp at a cost which is much lower than that of a "hard" prison cell.
- Crews from the Conservation Camp also serve as firefighters and assist the NDF in carrying out its highest priority — the protection of life and property. These inmate crews are used in conjunction with the NDF's partners, including the United States Department of Agriculture, Bureau of Land Management (BLM) and the Forest Service, to extinguish fires. By pooling resources, the NDF and its counterparts are able to provide service to the public at the lowest possible cost.
- Because the primary responsibility of many Conservation Camp crews is to assist with firefighting efforts, they are often required to leave a conservation project prior to its completion. This circumstance has led to an increased demand for dedicated inmate crews within the Basin. The NDF is attempting to meet that demand in other ways. For instance, both inmates and crew supervisors must meet certain national standards of physical fitness in order to serve on firefighting crews. While all fire crews meet those physical fitness standards, those members at the low end of the physical fitness spectrum are often assigned to other projects and used on fire crews on a need-only basis.
- Currently, two dedicated crews from Silver Springs are working on State and Incline Village General Improvement District (IVGID) lands within the Basin on Fridays and Saturdays from June through August. The Stewart Conservation Camp has three dedicated crews working each day of the week on Forest Service and California State Parks lands. In addition, the Stewart crews work on NDOT and Nevada Division of State Parks projects as needed.

Mr. Murphy introduced Pete Anderson, Resource Coordinator, NDF, who manages other Conservation Camps, and Rick Jones, Resource Management Officer, Western Region, NDF, who is instrumental in project selection and oversees all camp programs.

Continuing his presentation, Mr. Murphy provided the Committee with an overview of the NDF's project selection criteria for the Conservation Camp Program (Exhibit C) and summarized the NDF's mission and its cooperative agreement with the Department of Prisons, discussing the following topics:

- Projects that will take money away from private enterprise are avoided by NDF.
- The fee charged to agencies that employ a Conservation Camp crew is approximately \$300 per day and includes a crew supervisor and ten inmates. Equipment and mileage costs are charged in addition to the daily crew fee.

Senator Schneider questioned whether the Committee could be of assistance in facilitating the creation of dedicated inmate crews from southern Nevada's prison population. Responding, Mr. Murphy offered the following information:

- The Legislature has mandated that the NDF produce revenue.
- It currently costs approximately \$1.2 million per year to maintain Nevada's ten Conservation Camps.
- In order to determine whether additional dedicated inmate crews may be available, the NDF must first:
 1. Ascertain whether more inmates are available to work on Conservation Camp crews through the prison system in northern Nevada;
 2. Study the cost and impact of transporting crews from southern Nevada to northern Nevada and supporting those crews while they work in this area;
 3. Address any problems within the prison system itself which result from removing inmates from the system; and
 4. Work with BLM and the Forest Service to reevaluate inmate fire crew needs with a view toward reducing the number of crews assigned firefighting duties and perhaps developing a prioritization system for dispatching inmate crews to assist with fire suppression efforts.

He suggested that a committee or subcommittee could provide valuable assistance to the NDF in investigating and resolving these issues.

The following points were covered in the ensuing discussion:

- Mr. Jones, previously identified on page 10 of these minutes, noted the use of inmate labor crews has worked well; however, logistical challenges make it difficult to utilize this resource. For example, northern Nevada's lack of a facility to house inmate crews presents health issues. In addition, overtime pay is required for prison personnel who must travel with the inmates and provide security.
- Senator Jacobsen pointed out that as the new women's prison in Las Vegas is a private enterprise, inmate crews may not be removed from the prison's population. However, a procedure is being developed to accommodate the need for inmate labor.

At the request of Senator Jacobsen, Mr. Murphy summarized the NDF's seed bank program:

- Pursuant to legislation introduced by Senator Jacobsen and passed during the 1997 Legislative Session, the NDF has established a state seed bank program. The seed bank building itself will store approximately 50,000 pounds of seed. This seed will be used to revegetate areas damaged by fire and to reclaim land infested with noxious weeds.
- Inmate labor is employed at the seed bank and in Nevada's state nursery system for seed collection and disbursement. With the guidance of trained supervisors, inmates are able to collect particular species of plants.
- The use of inmates trained in the collection and disbursement of native seed may assist the NDF in addressing some of the issues with respect to construction projects in that the expertise of the inmate supervisors and crews is not easily available in the private market.

Assemblywoman Freeman indicated that it was her understanding from the testimony of Mr. Baetge that future maintenance is an area which has not yet been addressed. Mr. Baetge acknowledged that ongoing maintenance of EIP projects has not been budgeted. For example, sediment filters are being installed around the Lake, but no funds have been earmarked to clean the filters.

Mr. Fontaine reported that NDOT estimates it will cost approximately \$4.3 million over the next ten years to maintain the facilities that have been constructed or will be constructed in the next several years. Those costs have not yet been broken down, however, the majority may be related to special types of equipment needed to clean the sand/oil

separators. In addition, significant costs are associated with doing the types of work for which inmate labor would be valuable, such as cleaning ditches. He noted that if the Committee so desires, NDOT will attempt to separate the costs of unskilled and skilled labor.

Senator Jacobsen noted that whenever a government agency contemplates the use of inmate labor, it must weigh the impact of such an arrangement on private enterprise. Mr. Murphy remarked that NDF employs the use of inmate labor for tree and vegetation removal as well as arboriculture needs, knowing full well that this is an area in which the private sector is competitive. However, these crews provide a valuable service, particularly in rural areas that lack the funds to hire a private arborist.

Jeff Cutler

Jeff Cutler, Assistant Executive Director, League to Save Lake Tahoe (League), announced that Rochelle Nason, Executive Director, League to Save Lake Tahoe, would be unable to attend the meeting. Mr. Cutler provided an overview of the League's use of volunteer labor in the Basin, covering the following points:

- He agreed with Mr. Baetge that prison labor may play an important role in maintaining some of the water quality improvements in the Basin.
- Volunteer efforts of the League include the following:
 1. In cooperation with the University of Nevada, Reno Cooperative Extension, the League has used volunteers to stencil storm drains with a picture of a fish and the warning, "No dumping, drains to lake."
 2. A monitoring program was implemented last year whereby private citizens review the status of projects, particularly large scale forestry activities, to ensure they are completed in accordance with plans. The program encourages community stewardship in the Basin.
 3. Through its monitoring program, the League learned that some areas the Forest Service planned to treat over the next few years had been previously logged many times. It was the League's position that small tree thinning, brush disposal, and removal of existing fuel loads would improve forest health and reduce fire danger more effectively than the commercial logging operation planned by the Forest Service. The League sought and obtained permission from the Forest Service to organize a large volunteer labor force to clear existing fuel loads. Mr. Cutler provided the Committee with a copy of a letter sent to League members soliciting volunteers for the project. Please see Exhibit D.

Responding to a question from Assemblywoman Freeman, Mr. Cutler stated that in carrying out its volunteer efforts, the League works with the appropriate agency to ensure that it stays within the boundaries of that agency's goals. In turn, the agencies share their expertise and provide guidance to the League.

Rex Harold

Rex Harold, Forester, Division of State Lands, stated that he is responsible for the care of the parcels purchased with funds from the Tahoe Bond Act of 1986. He reported that because inmate crews are not bondable, the Division of State Lands enters into agreements with private contractors to remove hazardous trees from these parcels.

At the request of Senator Jacobsen, Pamela B. Wilcox, Administrator, Division of State Lands, provided additional information to the Committee following the meeting regarding the Division's management of parcels of land it has acquired in the Basin. Please see Exhibit E.

PUBLIC TESTIMONY

Jeffrey Fontaine

Jeffrey Fontaine, previously identified on page 9 of these minutes, reported on the status of several NDOT projects in the Basin and outlined the highlights of TEA 21 recently passed by Congress, covering the following topics:

- A ground breaking ceremony was held last week to mark the commencement of work on the Memorial Point Overlook Project. The project is situated on NDOT's right-of-way along State Route 28 at the existing Memorial Point parking area north of Sand Harbor and within the Nevada State Park. It is estimated that approximately 250,000 visitors stop at Memorial Point each year, and the Division of State Parks has identified completion of this project as one of its priority goals. Once constructed, the overlook will offer an 800 square-foot observation deck, information interpretive kiosks, interpretative trails, and a rest area which meets the requirements of the Americans With Disabilities Act (ADA).

The total cost of the project is estimated at slightly more than \$800,000 and includes approximately \$700,000 in federal Intermodal Surface Transportation Efficiency Act (ISTEA) enhancement funds, \$70,000 from the Division of State Parks, and \$37,000 from NDOT. Memorial Point will be expected to reopen in the spring of 1999.

The Division of State Parks will be responsible for ongoing maintenance of the building and rest area once the project is completed; NDOT will maintain all other appurtenances located on the State's right-of-way. In addition, the sand/oil separator vault which is located on the parking lot will be routinely maintained by NDOT.

Senator Jacobsen noted that the project will provide ADA-equipped restrooms and a hookup to sewer facilities.

- Congress recently passed TEA 21 reauthorizing ISTEA, and Nevada was the recipient of more federal funds than anticipated. Under TEA 21, Nevada will receive \$190 million per year in basic program revenue, for a total of approximately \$1.1 billion over the six-year life of the Act. This represents an increase of approximately \$70 million per year over prior ISTEA funding levels and will enable NDOT to move forward with a number of large projects that have been pending for some time.

Further, TEA 21 authorizes \$1.3 billion in funding for public lands highways. The discretionary funds are given out each year to states that have a significant portion of federal lands. Discretionary funding could provide some opportunities in the Basin.

- Design work on the North Shore Beautification Project has been completed. This project will entail widening of State Route 28 from Stateline, Nevada, for about a quarter of a mile into Nevada through the casino core. Additional enhancements include bike and pedestrian paths, decorative street lighting, drainage improvements, landscaping, new trash receptacles, and possibly covered bus stops and decorative stamped concrete across the casino core area. The NDOT anticipates that the project will be completed this year.
- An enhancement project is also underway from U.S. Highway 50 to Kingsbury Grade. The project includes reducing some slopes and installing improvements such as curbs and gutters, storm drains, and sidewalks. In addition, NDOT has worked with Douglas County and the TRPA to obtain access to the new Primm development. The anticipated cost of this project is approximately \$2 million. The project is currently underway and is expected to be completed this summer.
- Improvements are being made at the intersection of State Route 28 and U.S. Highway 50, including installation of an acceleration lane for vehicles exiting State Route 28 and entering U.S. Highway 50 going toward Carson City.
- A barrier rail is being installed down Spooner Summit along U.S. Highway 50 to separate the lanes of traffic.

Mary Scoonover

Mary Scoonover, Deputy Attorney General, California's Department of Justice, Office of the Attorney General, announced that she is serving as interim counsel to the TRPA until it is able to retain new general counsel. She noted that the willingness of California's Office of the Attorney General to provide assistance to the TRPA demonstrates its support of collaborative efforts to aid in the protection of Lake Tahoe and stated that it has been a professional pleasure

to experience uniform agreement among all the interested parties. Continuing, Ms. Scoonover reported that the TRPA is involved in a number of major lawsuits, including the *Suitum* and the *Tahoe-Sierra Preservation Council* cases, which are ready for trial.

STATUS REPORT — EFFORTS TO ESTABLISH A PROGRAM

FOR THE UNDERGROUNDING OF OVERHEAD

UTILITIES IN THE LAKE TAHOE BASIN

Andrew Strain

Andrew Strain, Scenic Resources Program Manager and Senior Planner, TRPA, Zephyr Cove, provided the Committee with a status report on efforts to establish a program for the undergrounding of overhead utilities in the Basin. Please see Exhibit F. Mr. Strain covered the following points:

- The TRPA held two meetings, one in April 1998 and another in May 1998, with affected utility companies and other interested parties to discuss funding options and the technical aspects of implementing the undergrounding of utility lines.
- There is general agreement among the parties involved in these meetings that an attempt should be made to develop a plan to implement the undergrounding of overhead utilities.
- A number of technical issues were discussed, and he is of the opinion that resolution of these issues is possible.
- The group also discussed the ramifications of a statewide undergrounding program where the costs and benefits would be shared by the entire state. This would help lower the per unit cost of funding that the ratepayers might be asked to contribute towards undergrounding of facilities. In such an event, the Nevada State Scenic Byways Committee could take a leadership role in prioritizing statewide funding, and its membership could be augmented with representatives from the TRPA and the utility companies to address the more technical issues involved in undergrounding utilities.
- With oversight review from the utility companies, Nevada's Office of the Attorney General, Bureau of Consumer Protection (Bureau), provided technical expertise in developing refined cost estimates of a utility surcharge should the TRPA propose such a surcharge. It is estimated that the cost to each customer to complete Phase 1 priorities only in the Basin would be \$5 per month for ten years. Please see Exhibit F, page 2. The Bureau has developed a more sophisticated and detailed spread sheet.
- Undergrounding of utilities is one of the TRPA's key visual projects in the EIP, and it is the position of the TRPA that this goal is worthy of continued discussion.
- The TRPA suggested that it continue working with utility companies and other parties interested in the utilities undergrounding project, develop a more complete proposal for consideration by the Committee, and then submit that proposal either to the Committee or a future session of the Nevada Legislature for consideration.

Assemblywoman de Braga noted that some of the materials previously received by the Committee indicated that such a utilities undergrounding program would be instituted statewide and further, that a certain percentage of the statewide revenue would be allocated to the Basin. She questioned who would administer the collection and disbursement of funds in such an event. Mr. Strain stated that those expenses would likely be part of the utility companies' administrative costs. Continuing, he reported that the utilities have specifically indicated that they do not wish to collect the funds. He suggested that the State Scenic Byways Committee or the Committee To Continue the Review of the TRPA might provide policy direction.

Jim Nakada

Jim Nakada, Chairman of the Board, IVGID, Incline Village, reported that with the assistance of the TRPA, IVGID is in the process of installing a walking and bicycle path along State Route 28. However, no funds have been set aside for undergrounding of utilities in this area, and IVGID has been advised that such an effort must be locally funded. Mr. Nakada suggested that whenever mitigation funds are used to carry out an EIP project, further thought should be given to the project as a whole rather than one segment of it, e.g., creation of a bicycle and walking path *and* undergrounding of area utility lines as opposed to the development of the path alone.

Dale Stransky

Dale Stransky, Engineer, Bureau of Consumer Protection, Nevada's Office of the Attorney General, Carson City, reviewed his analysis of the rate impacts to a potential utility undergrounding program in the Basin (please see Exhibit G), covering the following points.

- At the request of the TRPA, he prepared estimates of utility undergrounding program costs and rate impacts for electric customers of Sierra Pacific Power Company (Sierra Pacific) on the Nevada side of Lake Tahoe.
- In preparing his analysis, he consulted with Sierra Pacific. It is his understanding that the figures provided to him by Sierra Pacific reflect its per-mile expenses and do not include the costs associated with other utilities. Based on the undergrounding program currently underway on California's side of the Basin, he estimates that Sierra Pacific's portion would represent only 60 to 70 percent of the total cost of such an effort on Nevada's side of the Basin. Thus, the estimates provided could potentially be 50 percent higher when the impact to other utilities is considered.
- Any right-of-way costs which may be required were also excluded from the estimates.
- Energy consumption and sales were used to determine costs of a potential utility undergrounding program.
- He reported that total electric project costs to complete Priority 1 and Priority 2 undergrounding improvements are estimated at \$30,560,000 in 1998 dollars. In his estimate, he attempted to define specific revenue requirements that are attributable to the undergrounding of utilities. Assuming that Sierra Pacific collects the required funds from ratepayers and makes the investment for an undergrounding program, all revenue requirements would be approximately \$26,000,000 in 1998 dollars. He pointed out that total electric project costs could be reduced by 50 percent if Priority 2 projects were eliminated.
- Residential customers on Nevada's side of the Basin comprise approximately 87 percent of Sierra Pacific's customer base in the Basin but consume only one-third of the total energy it sells in the Basin. Using energy consumption and sales data of Sierra Pacific, a typical resident would be assessed a surcharge of approximately \$46.30 per year for 20 years to fund one-third of a utility undergrounding program. The remaining costs of such a program would be funded through surcharges to those ratepayers who consume two-thirds of the energy on Nevada's side of the Basin. For instance, there are currently six large general commercial services in Lake Tahoe that use approximately one-third of the energy on the Nevada side of the Basin, and the surcharge for these entities would be approximately \$105,000 per year for 20 years.
- Assuming that Sierra Pacific makes the investment of necessary revenues and collects funds only from electric ratepayers located on the Nevada side of Lake Tahoe, the estimated cost to a typical electric residential customer would gradually increase to approximately \$98.40 per year in the year 2017 and then gradually decrease to zero. He noted that it is doubtful such a cost allocation to a restricted customer group of ratepayers would be a viable alternative; however, this estimate is useful for comparison purposes.
- If Sierra Pacific were to collect funds from its total customer base to fund a utility undergrounding program and invest those revenues, the estimated cost to the typical electric residential customer would gradually increase to \$2.40 in the year 2017 and decrease to zero by the year 2047. However, collection of revenues from the total customer base may be viewed by some as inequitable as only a small group of customers would directly benefit

from the undergrounding program.

- An assessment on property taxes might provide lower costs to the residents of the Lake Tahoe Basin than a utility surcharge.
- He emphasized that the Bureau of Consumer Protection does not have a specific recommendation.

Assemblywoman Freeman questioned if any electric surcharge would need approval of Nevada's Public Utilities Commission (PUC). Responding, Mr. Stransky indicated that distribution of funds and improvements made by Sierra Pacific are not generally matters reviewed by the PUC; however, it would be required to go before the PUC for cost recovery. He noted that Sierra Pacific is reluctant to pursue any of the utility undergrounding scenarios as presented.

Wes Wiens

Wes Wiens, Tahoe District Manager, Sierra Pacific, South Lake Tahoe, California, stated that Sierra Pacific is not opposed to undergrounding of its utility lines on the Nevada side of Lake Tahoe; however, it objects to any proposal where it serves as the collector of funds for such a program. He acknowledged that the State of California currently requires that 2 percent of electric revenues be used for undergrounding of utilities. Continuing, he noted that the industry is currently working through a period of deregulation and Sierra Pacific's rates have been frozen. These factors will impact Sierra Pacific's ability to fund a utility undergrounding program, and any increased costs would be passed on to its customers.

Commenting further, Mr. Wiens pointed out that Nevada statute allows the creation of assessment districts and suggested that Incline Village could form such a district to provide for the collection of revenues to fund a utility undergrounding program.

Assemblywoman de Braga asked Mr. Wiens if such a utility undergrounding program would likely be funded by all or only a portion of Sierra Pacific's customer base. Responding, Mr. Wiens indicated that he was of the opinion that such a program would be funded by Sierra Pacific's total customer base.

Larry McBee

Larry McBee, External Affairs Area Manager, Nevada Bell, Carson City, stated that he has attended a number of the meetings with the TRPA regarding undergrounding of utilities and reported that Nevada Bell is committed to working with the Committee and the TRPA on this matter. Mr. McBee noted the following areas of concern to Nevada Bell:

- Nevada Bell does not support a surcharge on its customers to fund a utilities undergrounding program. In particular, it opposes the imposition of such a surcharge on its total customer base for projects that benefit only residents of the Lake Tahoe Basin. Rather, Nevada Bell is of the opinion other mechanisms should be utilized to fund and administer such a program. For example, an assessment district could be formed or property taxes increased in those areas that would benefit from a utility undergrounding program.
- It is willing to offer its expertise to agencies involved in utilities undergrounding efforts; however, it is opposed to serving as the collector of revenue to fund such a program.
- The rights-of-way necessary to carry out utilities undergrounding have not yet been fully addressed. He noted, for example, that as a general practice Nevada Bell avoids involvement in projects located in revocable rights-of-way, and it is concerned that any undergrounding of utilities along State Route 28 would involve such a circumstance. Nevada Bell could suffer a significant financial loss if it undergrounds its lines on a revocable right-of-way and is later asked to move those lines.

Mr. McBee concluded his comments by reiterating Nevada Bell's commitment to working with the Committee and the TRPA in its efforts to determine whether a utilities undergrounding program in the Basin is viable at this time.

Senator Schneider asked Mr. McBee to share Nevada Bell's view of a possible outside funding source. Responding, Mr.

McBee suggested a mechanism such as those utilized with the federal grant programs wherein Nevada Bell could submit a statement for the cost of undergrounding utilities.

Don Kornreich

Don Kornreich, a resident of Incline Village and a member of the Nevada Tahoe Conservation District Board of Supervisors and the Truckee-North Tahoe Transportation Management Association Board of Directors, provided the Committee with the following documents:

1. A memorandum to the Committee dated June 12, 1998, regarding the need to form a hospital district for Incline Village and Crystal Bay (Exhibit H); and
2. A memorandum dated June 12, 1998, to the Committee regarding the need for additional funds to carry out environmental projects in the Basin together with a copy of subsections (b) and (h) of Public Law 96-586 (Exhibit I).

Mr. Kornreich directed the Committee's attention to his May 16, 1998, memorandum to Fred W. Welden, Chief Deputy Research Director, Research Division, LCB, and the accompanying spreadsheet regarding a proposal to impose a surcharge on Nevada utilities. Please see Attachment A to the "Workshop Document" which is attached to these minutes as Exhibit T. Mr. Kornreich covered the following points:

- His May 16, 1998, memorandum updates information he provided to the Committee at its March 13, 1998, meeting as follows:
 1. The population has been revised to reflect estimates for the year 2000; and
 2. A surcharge for natural gas has been included.
- If his proposal is implemented, he anticipates that utilities surcharge revenue would total approximately \$57 million annually, with the electric service surcharge providing the bulk of that revenue. Of that amount, Clark County, Nevada, would receive \$39 million, Washoe County \$9 million per year, and the other 15 counties in Nevada would share in the remaining \$9 million. These funds could be used in a manner deemed appropriate by each county's governing entity.
- He suggested that a surcharge be imposed only in those areas where the residents have indicated their support of such an assessment.
- Regardless of the mechanism used to collect utilities surcharges, opposition will exist. He noted that the State of California has successfully collected funds for a number of years to underground its utilities.
- He is of the opinion that the responsibility for raising the funds to underground utilities and carry out other environmental projects rests with the local area residents and should not be spread to all residents of the state.

Assemblywoman Freeman questioned whether Mr. Kornreich was familiar with the statute regarding assessment districts and asked if the Washoe County Commission could apply a surcharge to a portion of the county. Mr. Kornreich indicated that he has spoken with legal counsel regarding the creation of a hospital assessment district and suggested that the undergrounding of utilities could be approached in a similar fashion. Ms. Erdoes, Legal Counsel, Legal Division, LCB, stated that an assessment district could be created with boundaries different than those of the county lines.

Concluding his comments, Mr. Kornreich emphasized that the Washoe County Commissioners would need to obtain the support of the majority of area residents for a utility surcharge before taking action. In this way, individual communities would be afforded an opportunity to resolve local environmental issues.

Susan Miller

Susan Miller, Sierra Pacific, Reno, reiterated that Sierra Pacific is not opposed to undergrounding of utilities; however, it does not favor any suggestion that it serve as the revenue collector for such a program. Ms. Miller offered the following comments in support of Sierra Pacific's position:

- Assembly Bill 379, an act relating to local improvement districts and authorizing the governing body of a municipality to create a local improvement district to provide for the conversion of service facilities that are above ground to underground facilities (Chapter 523, *Statutes of Nevada 1997*), provides for the formation of local improvement districts.
- Sierra Pacific is entering a period of deregulation and competition.
- Customers generally review the utility bill total rather than each line item.
- As a result of A.B. 366, an act relating to governmental administration and revising provisions governing the regulation of electric services and gas services (Chapter 482, *Statutes of Nevada 1997*), and recent rulings of the PUC, it is expected that the billing function itself will become a separate competitive business. Sierra Pacific anticipates that it will no longer perform the billing operations internally.
- She suggested that it would be necessary to develop an alternative mechanism to collect from the various utility companies.
- The Nevada Resort Association would likely oppose any surcharge which would result in an assessment of \$105,000 per year on any of its members.

Responding to a question from Senator Jacobsen, Ms. Miller reported that California requires that utility companies set aside 2 percent of their gross revenues for projects such as undergrounding of utilities. She is unaware of any mitigation funds for similar projects in Nevada.

TRANSPORTATION TO LUNCH ON A BUS POWERED BY NATURAL GAS

James M. Brandmueller

James M. Brandmueller, Transportation Projects Manager, Nevada State Energy Office, Department of Business and Industry, Carson City, provided Committee members with an outline of the efforts being made to introduce clean burning alternative fueled vehicles into use in the Basin (please see Exhibit J) and transported them to lunch on a bus powered by natural gas.

PUBLIC TESTIMONY

Senator James introduced Mike Dwyer, Director, Southern Nevada District, BLM, and Scott Higginson, Vice President, Del Webb Corporation, and complimented them for their efforts to protect Nevada's environment. He noted that the Del Webb Corporation recently purchased the Whittell Estate, also known as the Thunderbird Lodge/Dreyfus Property, which the Committee toured in November 1997. Through the federal land exchange law, that property will become public and in exchange, the Del Webb Corporation will take ownership of private land for development in southern Nevada.

Continuing, Senator James announced that he was leaving the meeting prior to its conclusion. Senator Jacobsen invited Senator James to share his views on the issues pending before the Committee. Responding, Senator James made the following observations:

- He complimented the efforts of various government agencies and the TRPA and encouraged the Committee to

continue its support of the TRPA.

- Referencing the use of inmate labor to implement projects in the Basin, he suggested that the Committee consider requesting a bill draft as opposed to a resolution so that the portion of the statute that impedes the use of inmate labor can be changed in a manner that minimizes the impact to private enterprise.
- In the proposals for raising funds for EIP projects, there should be a shared allocation of the burden between the year-round residents and visitors to the Basin. He stressed the importance of equitably sharing the burden among the local population, business, and visitors.

Senator James introduced his father, John James, who has served as Nevada's state climatologist since 1984. Mr. James has been active in the protection of Lake Tahoe for a number of years and in the late 1960s wrote one of the first articles regarding air and water pollution problems at the Lake.

Loren E. Enstad

Loren Enstad, Chief Executive Officer and Fire Chief, North Lake Tahoe Fire Protection District, Incline Village, provided the Committee with an overview of fire conditions in the Basin and the efforts of various organizations in the Basin (please see Exhibit K), covering the following points:

- The efforts of the Sierra Front Wildfire Cooperators include the following:
 1. It has been working with the University of Nevada, Reno Cooperative Extension and Agriculture Experiment Station to fund and administer a project known as "Living with Fire." In May 1998, Mary Ellen Holly, the new Fire Marshal, oversaw the distribution of 100,000 brochures which addressed this topic. Please see Exhibit L.
 2. In addition, a generic newspaper insert was created, and each fire chief was afforded an opportunity to customize the insert to the community he serves. This enabled fire protection officials to communicate a common message regarding the creation of defensible space and preparation for wildland fires. The insert was funded by advertisers and Swift Publication and distributed through the *Tahoe Tribune*, the *North Lake Tahoe Bonanza*, *Tahoe World*, the *Reno Gazette-Journal*, the *Nevada Appeal*, and the *Record Courier*.
 3. A certification program for landscape professionals was held in February 1998 to prepare them to properly respond to customer concerns regarding attractive yet fire resistive landscape plans.
 4. Using information collected by satellite imagery, wildland fire hazard maps will be created to cover the area from Susanville, California, to Lone Pine, California, and encompassing the Lake Tahoe Basin.
- Approximately 23 agencies are involved in Tahoe Regreen, an organization which focuses on the reduction of biomass from dead and dying trees in the Basin, through the use of prescribed burning and physical removal.
- The Lake Tahoe Regional Fire Chiefs Association has continuing discussions relative to the coordination of the various counties' disaster preparedness plans. A review of the flooding which occurred in January 1997 revealed that while each county appears to have adequate disaster preparedness plans in place, there is no provision for the coordination of these plans such as notification to surrounding counties of actions being taken in a disaster and common evacuation routes.

In addition, the Association is working to review and revise major cooperative agreements among the federal, state, and local agencies.

- The general consensus among fire protection officials is that the fire season this year will be short and insignificant in areas above 8,000 feet in elevation. As a result of the high moisture content present in both dead and live fuels, fires should not be severe. However, in the lower elevation areas, light fuels are expected to dry up quickly.

- There are a number of new developments relative to smoke management, as follows:
 1. Nevada' Division of Environmental Protection, State Department of Conservation and Natural Resources, is developing benchmarks which will impact all types of burning, including agricultural burns, dooryard, natural and human caused fires, and prescribed burns. Drift smoke poses a potential problem in the region, particularly for Nevada, and bistate cooperation in developing these working agreements is being encouraged.
 2. Placer County, California, is currently holding workshops on smoke management including discussion of possibly assessing an impact fee for burn permits. These workshops will culminate in August with proposed new regulations. Of concern to Nevada fire protection officials are possible impact fees for burn permits for dooryard and prescribed burns, projects, and training. These potential regulations must be addressed if Nevada is to continue application of prescribed burns in the Basin without additional cost.
 3. There has also been recent discussion of possibly levying fees subsequent to firefighting operations against those agencies that do not take smoke management into consideration in their strategic objectives.
- The North Lake Tahoe Fire Protection District is also working with a number of agencies including the Forest Service, NDF, the Division of State Lands, the University of Nevada, Reno, Neighbors for Defensible Space, and IVGID, to address forest health issues locally. He provided the Committee with a copy of a brochure which provides an overview of the prescribed burn program (Exhibit L).
- The use of inmates and volunteer labor has contributed significantly to all of the District's programs in Incline Village.

Senator Jacobsen welcomed the new Fire Marshal, Mary Ellen Holly.

Mr. Fontaine, previously identified on page 9, summarized the NDOT's view of the recommendations pending before the Committee as follows:

- The NDOT does not oppose Recommendations 1, 2, 6, and 8.
- Referencing Recommendation 4, he noted that there has been considerable discussion of the use of inmate labor. The current statutes and the AGO 92-8 do not necessarily impede NDOT's ability to utilize inmate labor. The NDOT needs to further investigate the availability of inmate labor and consider the possibility of extending the use of that labor to larger or different types of maintenance projects to offset costs.
- With respect to Recommendation 7, he indicated that NDOT would welcome an opportunity to provide its assistance in implementing the Basin's MPO designation in a timely fashion.
- The provisions of TEA 21 authorize the formation of an MPO by the Governors of Nevada and California or by a resolution of various entities. However, NDOT is unaware of any provision of TEA 21 that authorizes additional funding for the MPO. Continuing, he reported that it is his understanding that the MPO created would share in the total funds available for planning in Nevada and California. On a preliminary basis, he estimates that Nevada could provide a minimal share of funding of approximately \$30,000, and California about \$280,000.

Assemblywoman Freeman asked Mr. Fontaine to share his views on the potential installation of parking meters in the Basin. Responding, Mr. Fontaine indicated that he needs to further familiarize himself with the proposal before forming an opinion.

Steve Teshara

Steve Teshara, Executive Director, Lake Tahoe Gaming Alliance, South Lake Tahoe, and Co-Chair, LTTWQC, announced that Rochelle Nason and Stan Hansen, both of whom also co-chair the LTTWQC, would be unable to appear before the Committee due to other commitments. He discussed the LTTWQC's position on the recommendations

pending before the Committee, covering the following topics:

- It supports the recommendations related to the role of state agencies in the implementation of the EIP.
- He commended the efforts of Pamela Wilcox, Administrator, Division of State Lands, for her efforts in coordinating Nevada's state agencies.
- It also supports adoption by the Committee of Recommendations 1, 2, 3, 5, 6, and 8.
- Referencing Recommendation 7, he noted that he is not yet familiar with the numbers mentioned by Mr. Fontaine in his earlier testimony. He indicated that the States of Nevada and California, NDOT, and CalTrans have been working with the LTTWQC on the MPO issue and support the LTTWQC's efforts in TEA 21. An implementation group for the MPO has been established, including representation from the States of Nevada and California, and the group plans to discuss funds availability. He acknowledged that no new money was appropriated specifically for the Basin's MPO and indicated that Nevada and California will need to make a commitment out of the total funds they receive.
- Speaking as the Chairman of the Board of the Truckee-North Tahoe Transportation Management Association (TNT TMA), he complimented the efforts of Mr. Kornreich in developing potential solutions to problems facing the Basin. Continuing, he clarified that Recommendation 9 was submitted by Mr. Kornreich in his capacity as a private citizen. Further, the Board of the TNT-TMA has not taken a position on Recommendation 9.
- It is the position of the LTTWQC that Recommendation 9 may be premature in that there are several ongoing efforts to address the issues raised in that proposal, e.g., the potential regional revenue source study being conducted through the TRPA. In addition, the LTTWQC will continue to participate in the ongoing discussions regarding undergrounding of utilities. Hence, the LTTWQC does not support Recommendation 9 at this time.
- The LTTWQC supports Recommendation 10. He noted that many LTTWQC members have made private contributions to fund the Alternative Revenue Sources Study.
- Referencing Recommendation 11, he stated that the LTTWQC advocates the continued existence of Nevada's Committee To Continue the Review of the TRPA.
- With respect to Recommendation 12, the LTTWQC expressed a desire to participate in the planning of any meeting between officials of the States of Nevada and California.

Kay Bennett

Kay Bennett, a Carson City Supervisor, member of the Governing Board of the TRPA, Secretary of the TTD, Chairwoman of the Nevada Tahoe Resource Conservation District, and Chairwoman of Team Tahoe, thanked the Committee for its efforts.

Senator Jacobsen directed the Committee's attention to a memorandum from the Lake Tahoe Basin Management Unit, Forest Service, United States Department of Agriculture, dated June 10, 1998 (Exhibit M), relative to the Dreyfus property and asked if anyone present could provide the Committee with an update on the status of the property. Mr. Baetge, previously identified on page 5 of these minutes, indicated that his understanding of a recent newspaper article was that a discussion has taken place regarding the possibility of transferring a portion of the Dreyfus property into private ownership through some type of trade. He noted that this issue has not yet been addressed with the TRPA.

Referencing Recommendation 9 submitted by Mr. Kornreich, Mr. Baetge suggested that the proposal be incorporated into the Alternative Revenue Sources Study so that all interested parties continue to work toward issue resolution through a common mechanism.

Larie Trippet

Larie Trippet, a resident of Incline Village, addressed the Committee as an individual and on behalf of the Truckee-Tahoe Chapter of People for the USA, regarding the use of two-stroke carbureted engines on Lake Tahoe. Mr. Trippet provided the Committee with copies of: (1) an undated letter from him to Fred W. Welden, Chief Deputy Research Director, Research Division, LCB (Exhibit N); (2) a written copy of his remarks before the Committee at its March 13, 1998, meeting (Exhibit O); (3) a copy of his June 4, 1998, letter to the editor of the *Reno-Gazette Journal* (Exhibit P); and (4) a written copy of his comments to the Committee dated June 1998 (Exhibit Q). Mr. Trippet spoke in opposition to the TRPA's ban on the use of two-stroke carbureted engines on Lake Tahoe. In support of his position, he made the following remarks:

- He was forced to close his business, North Tahoe Motorsports, formerly located in Incline Village, due to the TRPA's ban on the use of two-stroke engines on the Lake.
- Former Assemblyman Brian E. Sandoval advised him that the Committee's involvement in the TRPA decision to ban the use of two-stroke engines on the Lake would be inappropriate as the TRPA's ordinance is currently under judicial review.
- He questioned why the Committee did not review the TRPA's decision when the issue regarding two-stroke engines initially arose.
- Despite the fact that the ban on two-stroke engines was not supported by the Incline Village Board of Trustees, the TRPA's Shorezone Partnership Committee, and the TRPA's Advisory Planning Committee, the TRPA adopted an ordinance banning their use on Lake Tahoe.
- He suggested that in the future, the Committee review controversial issues in which the TRPA is involved.
- Further, he requested that the Committee initiate legislation requiring that TRPA trustees be elected rather than appointed. He noted that California Assemblyman Rico Oller has already introduced such legislation in California.
- People for the USA is a grassroots advocacy program promoting strong communities, vigorous economies, and healthy environments.

Responding to questions from Assemblywoman de Braga, Mr. Trippet stated that the TRPA has a variety of concerns, including environmental issues, the local economy, and recreation. The TRPA held public hearings to review the use of two-stroke engines on the Lake, and he attended those meetings. He reiterated that the TRPA did not have the support of its own committees to adopt the ban.

Don Kornreich

Don Kornreich, a resident of Incline Village and a member of the Nevada Tahoe Conservation District Board of Supervisors and the TNT-TMA Board of Directors, presented his personal views to the Committee. He provided the Committee with the following documents:

1. A flyer produced by Neighbors for Defensible Space regarding a free chipping service offered to residents of Crystal Bay and Incline Village (Exhibit R); and
2. A newspaper insert from the *North Lake Tahoe Bonanza* titled, "Living with Fire" (Exhibit S).

Continuing, Mr. Kornreich discussed the following topics:

- The local hospital is currently operating at a deficit, and he advocates the creation of a hospital assessment district to absorb some or all of the hospital's annual deficit. He noted that the hospital has closed three times in the past seven years.
- Referencing Attachment A to Exhibit T of these minutes, he suggested that an assessment district would provide

an appropriate mechanism to collect a utility surcharge. He emphasized that any utility surcharge would be assessed solely at the discretion of the local community's governing board.

Responding to a question from Senator Jacobsen, Ms. Erdoes reported that statutory authority currently exists for a county to create a hospital district.

Dan Holler

Dan Holler, Douglas County Manager, Minden, Nevada, made the following remarks relative to the recommendations contained in the "Workshop Document":

- Douglas County supports increased funding for state and local government projects. Issues which present a challenge to the County relative to implementation and maintenance of projects include: (1) the amount of time which typically elapses between authorization of the bond act and commencement of project funding; (2) the number of special improvement districts which exist along the Lake; and (3) responsibility for ongoing maintenance costs for completed projects.
- The use of inmate and volunteer labor is supported by Douglas County.
- Referencing Recommendation 5, he reported that the TRPA is currently understaffed. This inadequate staffing level has adversely affected the TRPA's ability to process projects in a timely manner, and in turn created difficulties for Douglas County. He suggested that if the staff shortage is due to lack of funding, the Committee should ensure that adequate funds are provided to the TRPA in the future to cover the staffing expenses.
- While the permitting process has improved over the past two years, it is the position of Douglas County that processing time frames should be further shortened. For that reason, he urged the Committee to continue its review of the TRPA's streamlining efforts.
- Douglas County anticipates that the Coordinated Transit System (CTS) will become the primary provider of mass transportation in the Basin. While the County supports the efforts of the Tahoe Transportation District (TTD), there is concern that it presents an added level of bureaucracy that may create challenges for the County.
- Referencing Recommendation 9, he indicated that Douglas County has reservations regarding the possible imposition of a utility surcharge at the county level. He pointed out that it may be difficult for the County to justify assessing a surcharge to utilities customers given the requirement that a portion of the revenues collected be used to fund environmental projects other than undergrounding of utilities. Continuing, he suggested that if Recommendation 9 is adopted by the Committee, it be amended to provide that all revenues collected be used to underground utilities and that the surcharge be eliminated once the undergrounding project is complete.
- Douglas County contributed to funding the Alternative Resource Sources Study. It is anticipated that some of the funding sources identified by that study may require legislative approval. On behalf of Douglas County, he requested the Committee's support of enabling legislation that may be required during the next session of the Legislature.
- He expressed support for the continued review of the TRPA by the Committee, noting that the Committee provides public access to the Legislature during the interim.

Senator Jacobsen questioned whether the governing boards of Carson City, Douglas County, and Washoe County have met to discuss common issues. Responding, Mr. Holler indicated that the boards have not met; rather, the counties address common issues through their respective representatives on the TRPA's Governing Board.

North Swanson

Referencing Recommendation 6, North Swanson, Zephyr Cove, the public's representative on the Team Tahoe Steering Committee, stated that East Shore recreationists are concerned that their parking privileges along State Route 28 may be

eliminated. East Shore recreationists desire environmentally safe access along State Route 28 and will continue to work toward a resolution of the parking problem. He commended the Forest Service, NDOT, and the TRPA for their efforts to develop off-highway parking prior to closing off existing highway parking. Responding to a question from the Committee, Mr. Swanson indicated that East Shore recreationists have obtained permission to park along State Route 28 without citation until such time as a parking lot is installed or a shuttle service is implemented.

Kay Bennett (previously identified on page 28) complimented the efforts of the Tahoe Area Naturists (TAN) in working to address parking issues along State Route 28 as a participant in Team Tahoe. Through the sponsorship of Carson City and with the assistance of NDOT, Team Tahoe has applied for a \$1.6 million scenic byway grant which will provide an additional 150 parking spaces along the State Route 28 corridor on Forest Service land. Team Tahoe plans to work with the Forest Service, NDOT, and the TRPA to complete an environmental assessment of the project, and it is anticipated that funding would be received in 1999. In addition, Team Tahoe has received a small commitment from Carson City for weekend shuttle service on the East Shore, and it plans to approach both Douglas and Washoe Counties to assist with funding of this service.

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COMMITTEE DISCUSSION AND ADOPTION OF RECOMMENDATIONS

Dave Ziegler, Senior Research Analyst, LCB, provided an overview of the Committee's "Workshop Document" which appears as Exhibit T. The recommendations contained in the "Workshop Document" appear below in italics and precede the actions of the Committee.

RECOMMENDATIONS CONCERNING IMPLEMENTATION OF THE EIP

Recommendations Relating to State Agencies

1. Enact legislation containing the following major elements to provide funding for the State of Nevada's ten-year commitment to implementation of the EIP and protection of the Lake Tahoe Basin:

a. A preamble providing information concerning Nevada's commitment to protection of the Lake Tahoe Basin and the funding needs as outlined in the EIP;

b. Creation of a Fund to Protect Lake Tahoe to be administered by the Division of State Lands and through which grants would be provided to local governments and state agencies to implement projects to protect the natural environment of the Lake Tahoe Basin;

c. A declaration that funds to implement Nevada's commitment to protection of the natural environment of the Lake Tahoe Basin are to be provided each biennium through appropriations made by the Legislature, revenue from bonds issued pursuant to this measure, or a combination of these mechanisms, and direction for the Administrator of the Division of State Lands to submit to the Legislature biennially a funding request proposing the specific method by which the State of Nevada will fulfill this commitment; and

d. Authorization of the Board of Finance to issue up to \$56.4 million in general obligation bonds as necessary from time to time over the eight-year period through Fiscal Year 2006-2007 to provide grants to local governments and state agencies for the protection of the natural environment of the Lake Tahoe Basin.

(Pam Wilcox, Administrator, Division of State Lands)

Assemblywoman de Braga suggested that the proposed legislation should clearly state that the goal of the Committee is to support the funding requests set forth in Recommendation 1, and not to actually commit the Legislature to funding specific amounts. Assemblywoman Freeman agreed that the preamble of the bill should clearly set forth the legislative intent of the bill to avoid confusion in the future. Ms. Erdoes pointed out that a proposed bill draft would have greater impact than a resolution and that some provisions of the bill would refer back to the Committee's intent as stated in the

bill's preamble.

ASSEMBLYWOMAN FREEMAN MOVED THAT THE COMMITTEE ADOPT RECOMMENDATION 1. MOTION SECONDED BY ASSEMBLYWOMAN DE BRAGA AND PASSED UNANIMOUSLY.

2. Include in the final report a statement of support and transmit letters to the Senate Committee on Finance and the Assembly Committee on Ways and Means expressing support for state agency budget requests relating to ongoing programs in the Lake Tahoe Basin, such as forest health management, maintenance of highway facilities associated with environmental protection, protection of water quality, erosion control, and stream restoration.

(Pam Wilcox, Administrator, Division of State Lands)

ASSEMBLYWOMAN FREEMAN MOVED THAT THE COMMITTEE ADOPT RECOMMENDATION 2. MOTION SECONDED BY SENATOR SCHNEIDER AND PASSED UNANIMOUSLY.

3. Include in the final report a statement of support for state agencies receiving adequate travel funding and policy support to participate in broad-based partnership efforts to facilitate implementation of the EIP.

(Juan Palma, Forest Supervisor, U.S. Forest Service)

The Committee questioned the purpose of staff travel and possible destinations. Responding, Mr. Baetge and Mr. Teshara indicated that the recommendation specifically addressed state participation in the Federal Advisory Committee (FACA) and that they anticipated most meetings would be held in the Basin.

SENATOR SCHNEIDER MOVED THAT THE COMMITTEE ADOPT RECOMMENDATION 3. MOTION SECONDED BY ASSEMBLYWOMAN DE BRAGA AND PASSED UNANIMOUSLY.

Assemblywoman Freeman questioned whether the Committee is restricted in the number of bill draft requests (BDRs) it can submit. Ms. Erdoes indicated that the Committee is limited to ten BDRs. Continuing, Ms. Erdoes pointed out that recommendations to include a finding or conclusion of the Committee in the final report are not BDRs and thus do not count against the Committee's limit.

4. Urge, by resolution, relevant state agencies to use inmate and volunteer labor to the greatest extent possible in the construction and maintenance of projects and facilities in the Lake Tahoe Basin, and urge the Nevada Division of Forestry to provide the necessary crews dedicated specifically to these activities.

(Committee Discussion)

The following points were covered in the ensuing Committee discussion:

- Assemblywoman de Braga indicated that it was her understanding that NDOT's concern was not with the statute regarding the use of inmate labor but rather that its decision regarding the use of inmate labor on a particular project might be questioned at a later date. Continuing, she expressed concern that the language of Recommendation 4 be sufficiently broad to allow state agencies flexibility in deciding whether to use inmate labor.
- Senator Jacobsen suggested that NDF and the Department of Prisons could develop a policy statement setting forth basic criteria for use of inmate labor, thus minimizing the State's exposure to liability.
- Mr. Murphy, previously identified on page 12 of these minutes, commented that it was his understanding that NDOT is sometimes prohibited from utilizing inmate labor on projects funded through ISTEPA.

Amir Soltani, Hydraulic Engineer, NDOT, stated that he had no specific knowledge of such a prohibition and suggested that Mr. Fontaine was the person most appropriate to provide information regarding this issue. Further, he emphasized that NDOT is not a construction agency and cannot demand that its contractors use inmate labor on its projects.

- Assemblywoman Freeman questioned whether inmates are allowed to work on projects involving hazardous materials. In addition, she proposed that the Committee limit the use of inmate labor to maintenance projects until such time as it has an opportunity to study the possibility of using such labor on construction and other types of projects.
- Senator Schneider expressed concern that once the Legislature reapportions the state, the Basin may suffer from a decrease in funding to implement EIP projects. His goal is to create the framework which will provide the Basin with an inexpensive source of labor for carrying out EIP projects over the next couple of decades.

ASSEMBLYWOMAN FREEMAN MOVED THAT THE COMMITTEE ADOPT RECOMMENDATION 4. MOTION SECONDED BY ASSEMBLYWOMAN DE BRAGA AND PASSED UNANIMOUSLY.

5. Transmit letters to the Executive and Legislative agencies responsible for review of the TRPA's budget requests in Nevada and California urging these entities to establish an official mechanism to coordinate the process for review and approval of these requests, and urging appropriate staff of Nevada's Department of Administration to initiate these actions.

(Committee Discussion)

ASSEMBLYWOMAN FREEMAN MOVED THAT THE COMMITTEE ADOPT RECOMMENDATION 5. MOTION SECONDED BY SENATOR SCHNEIDER AND PASSED UNANIMOUSLY.

Recommendations Specifically Related to Transportation Issues

6. Urge, by resolution, relevant agencies at the state and federal government levels to support funding of projects to address parking issues along State Highway 28 in the Lake Tahoe Basin through the Scenic Byways Program in Federal Transportation Equity Act for the Twenty-First Century (TEA 21) or other applicable sources of revenue, and specifically urge these agencies to provide assistance in obtaining funds for projects like the joint retention basin/parking facilities proposal submitted originally by Carson City.

(Craig Hartman, East Shore recreationist)

ASSEMBLYWOMAN FREEMAN MOVED THAT THE COMMITTEE ADOPT RECOMMENDATION 6. MOTION SECONDED BY ASSEMBLYWOMAN DE BRAGA AND PASSED UNANIMOUSLY.

7. Transmit letters to Nevada's Department of Transportation and the Regional Planning Commissions in Clark and Washoe Counties urging them to provide their expertise and technical assistance to the TRPA and other interested parties in their efforts to implement the designation of Metropolitan Planning Organization in a timely fashion.

(Lake Tahoe Transportation and Water Quality Coalition)

ASSEMBLYWOMAN FREEMAN MOVED THAT THE COMMITTEE AMEND RECOMMENDATION 7 TO READ AS FOLLOWS:

TRANSMIT LETTERS TO THE NEVADA DEPARTMENT OF TRANSPORTATION AND THE REGIONAL TRANSPORTATION COMMISSIONS IN CLARK AND

WASHOE COUNTIES URGING THEM TO PROVIDE THEIR EXPERTISE AND TECHNICAL ASSISTANCE TO THE TRPA AND OTHER INTERESTED PARTIES IN THEIR EFFORTS TO IMPLEMENT THE DESIGNATION OF METROPOLITAN PLANNING ORGANIZATION IN A TIMELY FASHION;

AND THAT IT ADOPT RECOMMENDATION 7, AS AMENDED. MOTION SECONDED BY SENATOR SCHNEIDER AND PASSED UNANIMOUSLY.

8. Include in the final report a statement of support for the mission of the Tahoe Transportation District (TTD) as provided in the Bistate Compact suggesting that the District:

a. Conduct a thorough evaluation of its programs and financial situation; and

b. Report its findings and recommendations to state and local entities interested in transportation issues in the Tahoe Basin, as well as the relevant committees of the Nevada and California Legislatures, if appropriate.

(TTD)

ASSEMBLYWOMAN DE BRAGA MOVED THAT THE COMMITTEE ADOPT RECOMMENDATION 8. MOTION SECONDED BY SENATOR SCHNEIDER AND PASSED UNANIMOUSLY.

Possible Sources of Funding for Broad-Based Environmental Efforts

9. Enact legislation authorizing the board of county commissioners in each county to impose a surcharge of up to 3 percent on utility bills in all or a portion of the county beginning January 1, 2000, and provide that between 40 and 60 percent of the revenue must be allocated to environmental projects in the county with the remaining percentage being allocated to the undergrounding of overhead utility facilities. Provide that the public utilities are responsible for the actual work of placing the facilities underground under agreement with, and as funded through, the board of county commissioners. (See Attachment A on pages 5 and 6.)

(Don Kornreich, member, Nevada Tahoe Conservation District and Truckee-North Tahoe Transportation Management Association)

The Committee expressed concern that the action requested in Recommendation 9 may be premature given the fact that an "Alternative Revenues Sources Study" is currently being conducted by a consultant for the TRPA. Assemblywoman de Braga pointed out that the proposal contained in Recommendation 9 will likely be considered by the "Alternative Revenue Resources Study." Pamela Drum, Environmental Information Coordinator, TRPA, suggested that the Committee request that Mr. Kornreich's proposals as set forth in Recommendation 9 be considered in the "Alternative Revenue Resources Study."

ASSEMBLYWOMAN DE BRAGA MOVED THAT THE COMMITTEE NOT CONSIDER RECOMMENDATION 9. MOTION SECONDED BY ASSEMBLYWOMAN FREEMAN AND PASSED UNANIMOUSLY.

10. Include in the final report a statement of support for the goals of the "Alternative Revenue Sources Study" being conducted by a consultant for the TRPA recommending that:

a. The results of the study be reported to the Governors and appropriate legislative committees in Nevada and California; and

b. These entities give serious consideration to the preferred package of alternatives for funding the implementation of environmental projects in the Lake Tahoe Basin. (See Attachment B on pages 7 through 10 for a copy of the "Request for Proposal" for this contract. Note especially the goals outlined under the

headings "Purpose" and "Approach" on page 8.)

(TRPA)

ASSEMBLYWOMAN DE BRAGA MOVED THAT THE COMMITTEE ADOPT RECOMMENDATION 10. MOTION SECONDED BY ASSEMBLYWOMAN FREEMAN AND PASSED UNANIMOUSLY.

***III. RECOMMENDATIONS CONCERNING THE FUTURE OF THE
LEGISLATIVE COMMISSION'S COMMITTEE
TO CONTINUE THE REVIEW OF THE TRPA***

11. Continue, by resolution, the existence of the Committee (during the interim after the 1999 Legislative Session) in a similar manner as prescribed in Senate Concurrent Resolution No. 2 (File No.15, Statutes of Nevada 1997). (See Attachment C on pages 11 and 12 for a copy of the resolution.)

(Kay Bennett, member, TRPA Governing Board and other relevant organizations)

ASSEMBLYWOMAN FREEMAN MOVED THAT THE COMMITTEE ADOPT RECOMMENDATION 11. MOTION SECONDED BY ASSEMBLYWOMAN DE BRAGA AND PASSED UNANIMOUSLY.

12. Request funds from the Legislative Commission to support a trip by the Committee to Sacramento, California, in order to discuss with legislators from that State issues and programs of mutual interest, including the Nevada Committee's adopted recommendations.

(Committee Discussion)

ASSEMBLYWOMAN FREEMAN MOVED THAT THE COMMITTEE ADOPT RECOMMENDATION 12. MOTION SECONDED BY ASSEMBLYWOMAN DE BRAGA AND PASSED UNANIMOUSLY.

ADJOURNMENT

There being no further business, the meeting was adjourned at 4:25 p.m.

Exhibit U is the "Attendance Record" for this meeting.

Respectfully submitted,

Susan Furlong Reil

Senior Research Secretary

APPROVED BY:

Date: _____

LIST OF EXHIBITS

Exhibit A is an opinion letter dated June 12, 1998, from M. Scott McKenna, Deputy Legislative Counsel, Legal Division, LCB, Carson City, Nevada, to Senator Lawrence E. Jacobsen, regarding whether a public entity may install parking meters in public places within the Lake Tahoe Basin, provided by Mr. McKenna.

Exhibit B is a copy of Nevada's Attorney General Opinion No. 92-8, dated October 6, 1992, regarding prison labor on public works projects, provided by Jeffrey Fontaine, P.E., Deputy Director, Nevada's Department of Transportation, Carson City, Nevada.

Exhibit C is a document titled, "Nevada Division of Forestry, Conservation Camp Program, Project Selection Criteria," dated May 27, 1998, provided by Patrick M. Murphy, Deputy State Forester, Division of Forestry, State Department of Conservation and Natural Resources, Carson City, Nevada.

Exhibit D is an undated letter from Richard Kentz, Tahoe Forest Day Coordinator, League to Save Lake Tahoe, to League members soliciting volunteers to participate in Tahoe Forest Day 1998, provided by Jeff Cutler, Assistant Executive Director, League to Save Lake Tahoe, South Lake Tahoe, California.

Exhibit E is a letter dated June 25, 1998, from Pamela B. Wilcox, Administrator, Division of State Lands, Carson City, Nevada, to Susan Furlong Reil, Research Division, LCB.

Exhibit F is a memorandum from the TRPA to the Committee To Continue the Review of the Tahoe Regional Planning Agency dated June 3, 1998, regarding the status of the Nevada-side utility undergrounding program, provided by Andrew Strain, Senior Planner, TRPA, Incline Village, Nevada.

Exhibit G is a letter to Andrew Strain, Scenic Resources Program Manager, TRPA, from Dale Stransky, P.E., Nevada's Office of the Attorney General, Bureau of Consumer Protection, Carson City, Nevada, provided by Mr. Stransky.

Exhibit H is a memorandum dated June 12, 1998, from Don Kornreich, a resident of Incline Village, Nevada, to the Committee To Continue the Review of the TRPA, regarding the need to form a hospital district for Incline Village and Crystal Bay, Nevada, provided by Mr. Kornreich.

Exhibit I is a memorandum dated June 12, 1998, from Don Kornreich, a resident of Incline Village, Nevada, and a member of the Nevada Tahoe Conservation District Board of Supervisors, the Truckee-North Tahoe Transportation Management Association Board of Directors, and President of Neighbors for Defensible Space, Inc., regarding the need for additional funds to address environmental issues in the Lake Tahoe Basin, provided by Mr. Kornreich.

Exhibit J is an undated document titled "Nevada State Energy Office/Sierra Pacific Power Company, Alternative Fueled Vehicle Demonstration," provided by James M. Brandmueller, Transportation Projects Manager, Nevada State Energy Office, Department of Business and Industry.

Exhibit K is an undated document which summarizes the fire prevention efforts of various organizations in the Lake Tahoe Basin, provided by Loren E. Enstad, Chief Executive Officer and Fire Chief, North Lake Tahoe Fire Protection District, Incline Village, Nevada.

Exhibit L is a brochure titled "Bringing Fire Back to the Forest . . ." which describes the Incline Village/Crystal Bay Prescribed Fire Program, provided by Loren E. Enstad, Chief Executive Officer and Fire Chief, North Lake Tahoe Fire Protection District, Incline Village, Nevada.

Exhibit M is a memorandum dated June 10, 1998, from the Lake Tahoe Basin Management Unit, Forest Service, United States Department of Agriculture, to Lynn Sprague, R-5 Regional Forester, relative to the Dreyfus property, provided by Juan Palma, Forest Supervisor, United States Department of Agriculture, Forest Service, Lake Tahoe Basin Management Unit, South Lake Tahoe, California.

Exhibit N is a copy of an undated letter to Fred W. Welden, Deputy Chief Research Director, Legislative Counsel Bureau, from Larie Trippet regarding his views on the ban of carbureted two-stroke engines from Lake Tahoe, provided by Mr. Trippet, of Incline Village, Nevada.

Exhibit O is a written outline of the remarks made by Larie Trippet before the Committee at its March 13, 1998, meeting, provided by Mr. Trippet, Incline Village, Nevada.

Exhibit P is a letter dated June 4, 1998, from Larie Trippet to the editor of the *Reno-Gazette Journal*, relative to two-stroke engines, provided by Mr. Trippet, of Incline Village, Nevada.

Exhibit Q is a written outline of the remarks made by Larie Trippet before the Committee at its June 12, 1998, meeting, provided by Mr. Trippet, of Incline Village, Nevada.

Exhibit R is a flyer produced by Neighbors for Defensible Space regarding a free chipping service offered to residents of Crystal Bay and Incline Village, Nevada, provided by Don Kornreich of Incline Village, Nevada.

Exhibit R is a newspaper insert from the *North Lake Tahoe Bonanza* titled "Living with Fire," provided by Don Kornreich of Incline Village, Nevada.

Exhibit T is the "Workshop Document" dated June 12, 1998.

Exhibit U is the "Attendance Record" for this meeting.

Copies of the materials distributed in the meeting are on file in the Research Library of the Legislative Counsel Bureau, Carson City, Nevada. You may contact the library at (702) 684-6827.