

May 4—From committee: Do pass. Declared an emergency measure under the Constitution. Read third time. Passed. Title approved. To Senate.

May 5—In Senate. To enrollment.

May 9—Enrolled and delivered to Governor.

May 12—Approved by the Governor. Chapter 486.

Effective July 1, 1977. This act expires by limitation on June 30, 1979.

\* S. B. 198—Raggio, Young, Wilson and Gojack, Feb. 9.

Summary—Creates Washoe County Airport Authority. (BDR S-847)  
Fiscal Note: Local Government Impact: No. State or Industrial Insurance Impact: No.

Feb. 9—Read first time. Referred to Committee on Government Affairs. To printer.

Feb. 10—From printer. To committee. 3/9, 3/24, 3/30, 4/11, 5/5

✓ Apr. 12—From committee: Amend, and do pass as amended.

✓ Apr. 13—Read second time. Amended. To printer.

Apr. 14—From printer. To engrossment. Engrossed. First reprint.

✓ Apr. 15—Read third time. Passed, as amended. Title approved. To Assembly.

Apr. 17—In Assembly. Read first time. Referred to Committee on Government Affairs. To committee. 4/17, 4/20, 4/28, 4/30

Apr. 28—From committee: Amend, and do pass as amended.

✓ Apr. 29—Taken from Second Reading File. Re-referred to Committee on Government Affairs. To committee.

✓ May 2—From committee: Amend, and do pass as amended. Placed on Second Reading File. Read second time. Amended. To printer.

May 3—From printer. To re-engrossment. Re-engrossed. Second reprint. Placed on General File. Read third time. Passed, as amended. Title approved. To Senate.

May 4—In Senate.

May 5—Assembly amendments concurred in. To enrollment.

May 12—Enrolled and delivered to Governor. Approved by the Governor. Chapter 474.

Effective July 1, 1977.

S. B. 199—Committee on Judiciary, Feb. 9.

Summary—Provides procedure on failure to appear in court on traffic citation. (BDR 43-5) Fiscal Note: Local Government Impact: Yes. State or Industrial Insurance Impact: Yes.

Feb. 9—Read first time. Referred to Committee on Judiciary. To printer.

Feb. 10—From printer. To committee.

Mar. 10—From committee: Amend, and re-refer to Committee on Finance.

Mar. 11—Read second time. Amended. Re-referred to Committee on Finance. To printer.

Mar. 14—From printer. To engrossment. Engrossed. First reprint. To committee.

May 5—From committee: Amend, and do pass as amended. Read third time. Amended. Reprinting dispensed with. Passed, as amended. Title approved, as amended. Ordered reprinted. To printer.

May 6—From printer. To re-engrossment. Re-engrossed. Second reprint. To Assembly. In Assembly. Read first time. Referred to Committee on Judiciary. To committee. From committee: Re-refer to Committee on Ways and Means, without recommendation. Re-referred to Committee on Ways and Means. To committee.

May 7—From committee: Do pass. Declared an emergency measure under the Constitution. Read third time. Passed. Title approved. To Senate.

May 8—In Senate. To enrollment.

May 11—Enrolled and delivered to Governor.

May 13—Approved by the Governor. Chapter 514.

Effective July 1, 1977.

S.B. 198 (chapter 474) creates the Washoe County Airport Authority governed by a seven-member board composed of four from the City of Reno, one from the City of Sparks and two from Washoe County. The authority's jurisdiction is to be throughout Washoe County. The board will select its own officers, operate the airport and, with the approval of Washoe County, levy a countywide ad valorem tax. All airport properties of the City of Reno are to be transferred to the authority which will also assume all obligations of the airport.

SUMMARY OF LEGISLATION 1977  
LEGISLATIVE COUNSEL BUREAU - RESEARCH DIVISION

SENATE BILL NO. 198—SENATORS RAGGIO,  
YOUNG, WILSON AND GOJACK

FEBRUARY 9, 1977

Referred to Committee on Government Affairs

SUMMARY—Creates Washoe County Airport Authority. (BDR S-847)

FISCAL NOTE: Local Government Impact: No.  
State or Industrial Insurance Impact: No.



EXPLANATION—Matter in *italics* is new; matter in brackets [ ] is material to be omitted.

AN ACT creating the Washoe County Airport Authority; making legislative findings and declarations; defining certain words and terms; providing for the appointment, number, terms, compensation, duties and powers of a board of trustees; specifying the powers of the authority, including the power to levy and collect general (ad valorem) taxes, borrow money and issue securities to evidence such borrowing; requiring the transfer of airport properties, functions and outstanding obligations of the City of Reno to the authority; and providing other matters properly relating thereto.

*The People of the State of Nevada, represented in Senate and Assembly,  
do enact as follows:*

- 1 SECTION 1. This act may be cited as the Washoe County Airport
- 2 Authority Act.
- 3 SEC. 2. 1. The legislature finds that:
- 4 (a) The airport of the City of Reno has traditionally been operated by
- 5 the city as a municipal function and originally served primarily the city
- 6 residents.
- 7 (b) With the development of multiple contiguous communities, subur-
- 8 ban living and rapid increase in recreational pursuits by the traveling pub-
- 9 lic, the airport of the City of Reno is now serving the inhabitants of a large
- 10 geographical area and ever-increasing numbers of tourists.
- 11 (c) What was once a municipal airport in both name and fact is now
- 12 a regional airport.
- 13 (d) The financial problems of the airport have become more complex
- 14 and administrative activities are required to be more responsive to the
- 15 community at large and the directly paying airport tenants and users.
- 16 (e) The City of Reno is unable to operate the airport effectively within
- 17 the traditional framework of local government, evidencing the need to
- 18 create a special governmental corporation to provide specific facilities
- 19 and services to the public.
- 20 (f) Development of the modern airport requires the expenditure of

1 vast sums of money for land acquisitions and capital improvements not  
2 available to the City of Reno through the issuance of municipal securities  
3 secured by general obligation tax receipts.

4 (g) Because of special circumstances and conditions a general law  
5 cannot be made applicable, and this special act will allow the tax burden  
6 to spread over Washoe County rather than coming to rest solely upon  
7 the principal municipality of Washoe County.

8 (h) This act will accommodate the expanding urban population  
9 patterns, provide adequate funding and establish the administrative  
10 machinery necessary to insure adequate air service to the region.

11 2. It is hereby declared as a matter of legislative determination that:

12 (a) The organization of the Washoe County Airport Authority having  
13 the purposes, powers, rights, privileges and immunities provided in this  
14 act will serve a public use and will promote the general welfare by faci-  
15 lilitating safe and convenient air travel and transport to and from the Reno  
16 area.

17 (b) The acquisition, operation and financing of airports and related  
18 facilities by the Washoe County Airport Authority is for a public and  
19 governmental purpose and a matter of public necessity.

20 (c) The Washoe County Airport Authority is a body corporate and  
21 politic and a quasi-municipal corporation, the geographical boundaries  
22 of which are coterminous with the boundaries of Washoe County.

23 (d) For the accomplishment of the purposes stated in this subsection,  
24 the provisions of this act shall be broadly construed.

25 SEC. 3. As used in this act the following words or phrases are defined  
26 as follows:

27 1. "Airport" means any one or more airports or heliports and related  
28 facilities, including but not limited to land and interests in land, facilities  
29 for storage of air and space craft, navigation and landing aids, taxiways,  
30 pads, aprons, control towers, passenger and cargo terminal buildings,  
31 hangars, administration and office buildings, garages, parking lots and  
32 such other structures, facilities and improvements as are necessary or  
33 convenient to the development and maintenance of airports and heliports  
34 and for the promotion and accommodation of air and space travel, com-  
35 merce and navigation.

36 2. "Authority" means the Washoe County Airport Authority created  
37 pursuant to the provisions of this act.

38 3. "Board of trustees" and "board" each means the board of trustees  
39 of the authority.

40 4. "Carrier" means any person or corporation engaged in the air or  
41 space transportation of passengers or cargo.

42 5. "City of Reno" means the municipal corporation in Washoe  
43 County, Nevada, created and existing pursuant to the provisions of chap-  
44 ter 662, Statutes of Nevada 1971, as amended.

45 6. "City of Sparks" means the municipal corporation in Washoe  
46 County, Nevada, created and existing pursuant to the provisions of chap-  
47 ter 470, Statutes of Nevada 1975.

48 7. "Washoe County" means the county created by and described in  
49 NRS 243.340.

50 SEC. 4. 1. The Washoe County Airport Authority is hereby created.

1 2. The property and revenues of the authority, or any interest therein,  
2 are exempt from all state, county and municipal taxation.

3 SEC. 5. 1. The authority shall be directed and governed by a board of  
4 trustees comprised of five persons.

5 2. The City of Reno shall be represented on the board by two mem-  
6 bers, the City of Sparks by one member and Washoe County by two mem-  
7 bers, appointed as specified in this section. Within 30 days after the  
8 effective date of this act the city councils of the cities of Reno and Sparks  
9 and the board of county commissioners of Washoe County shall appoint  
10 their representatives to serve on the board of trustees.

11 3. The term of office of the members of the board of trustees shall be  
12 at the pleasure of the appointing authority in each case, but each appoint-  
13 ment shall be reviewed no less often than every 4 years.

14 4. The position of a member of the board of trustees shall be con-  
15 sidered vacated upon his loss of any of the qualifications required for his  
16 appointment and in such event the appointing authority shall appoint a  
17 successor.

18 SEC. 6. 1. Each member of the board shall file with the county  
19 clerk:

20 (a) His oath of office.

21 (b) A corporate surety bond furnished at authority expense, in an  
22 amount not to exceed \$5,000, and conditioned for the faithful perform-  
23 ance of his duties as a member of the board.

24 2. No member of the board, during his term thereon, may hold any  
25 elective office, have any financial interest in the aviation industry or be  
26 interested as a private purveyor in any contract or transaction with the  
27 board or the authority.

28 3. Each member of the board shall receive \$100 per month or \$25  
29 for each regular board meeting attended, whichever is less.

30 SEC. 7. 1. The board shall choose one of its members as chairman  
31 and one of its members as vice chairman, and shall elect a secretary and  
32 a treasurer, who may be members of the board. The secretary and the  
33 treasurer may be one person.

34 2. The secretary shall keep, in a well-bound book, a record of all of  
35 the proceedings of the board, minutes of all meetings, certificates, con-  
36 tracts, bonds given by employees, and all other acts of the board. The  
37 minute book and records shall be open to the inspection of all interested  
38 persons, at all reasonable times and places.

39 3. The treasurer shall keep, in permanent records, strict and accurate  
40 accounts of all money received by and disbursed for and on behalf of the  
41 board and the authority. He shall file with the county clerk, at authority  
42 expense, a corporate fidelity bond in an amount not less than \$25,000,  
43 conditioned for the faithful performance of his duties.

44 SEC. 8. 1. The board shall meet regularly at a time and in a place  
45 to be designated by the board. Special meetings may be held as often as  
46 the needs of the board require, on notice to each board member.

47 2. A majority of the members shall constitute a quorum at any meet-  
48 ing. Every motion and resolution of the board shall be adopted by at least  
49 a majority of the members present and constituting the quorum at such  
50 meeting.



1 3. The board shall adopt a seal.

2 SEC. 9. The board shall comply with the provisions of the Local  
3 Government Purchasing Act and the Local Government Budget Act.

4 SEC. 10. The authority may do all things necessary to accomplish the  
5 purposes of this act. The authority may, by reason of example and not  
6 of limitation:

7 1. Have perpetual succession and sue and be sued.

8 2. Plan, establish, acquire, construct, improve and operate one or  
9 more airports within Washoe County.

10 3. Acquire real or personal property or any interest therein by gift,  
11 lease or purchase for any of the purposes provided in this section, includ-  
12 ing the elimination, prevention or marking of airport hazards.

13 4. Sell, lease or otherwise dispose of any real property.

14 5. Acquire real property or any interest therein in areas most affected  
15 by aircraft noise for the purpose of resale or lease thereof, subject to  
16 restrictions limiting its use to industrial or other purposes least affected  
17 by aircraft noise.

18 6. Enter into agreements with Washoe County and the cities of Reno  
19 and Sparks to acquire, by lease, gift, purchase or otherwise, any airport  
20 of such county or municipality and to operate such airport.

21 7. Exercise the power of eminent domain and dominant eminent  
22 domain in the manner provided by law for the condemnation by a city  
23 of private property for public use to take any property necessary to the  
24 exercise of the powers granted, within Washoe County.

25 8. Apply directly to the proper federal, state, county and municipal  
26 officials and agencies or to any other source, public or private, for loans,  
27 grants, guarantees or other financial assistance in aid of airports operated  
28 by it, and accept the same.

29 9. Study and recommend to the board of county commissioners of  
30 Washoe County and the city councils of the cities of Reno and Sparks  
31 zoning changes in the area of any airport operated by the authority with  
32 respect to height and aviation obstructions in order to enable the author-  
33 ity to meet the requirements of any Federal Aviation Administration  
34 regulations.

35 10. Have control of its airport with the right and duty to establish  
36 and charge fees, rentals, rates and other charges, and collect revenues  
37 therefrom, not inconsistent with the rights of the holders of its bonds,  
38 and enter into agreements with carriers for the payment of landing fees,  
39 rental rates and other charges.

40 11. Use in the performance of its functions the officers, agents,  
41 employees, services, facilities, records and equipment of Washoe County  
42 or the cities of Reno and Sparks, with the consent of any such county  
43 or municipality, and subject to such terms and conditions as may be  
44 agreed upon.

45 12. Enter upon such lands, waters or premises as in the judgment of  
46 the authority may be necessary for the purpose of making surveys, sound-  
47 ings, borings and examinations to accomplish any purpose authorized by  
48 this act. The authority is liable for actual damage done.

49 13. Provide its own fire protection, police and crash and rescue  
50 service.

1 14. Contract with carriers with regard to landings and the accommo-  
2 dation of the employees and passengers of such carriers.

3 15. Contract with persons or corporations to provide goods and  
4 services for the use of the employees and passengers of the carriers and  
5 the employees of the authority, as necessary or incidental to the operation  
6 of the airport.

7 16. Hire and retain officers, agents and employees, including a fiscal  
8 advisor, engineers, attorneys or other professional or specialized per-  
9 sonnel.

10 SEC. 11. The board has and may exercise all rights and powers  
11 necessary or incidental to or implied from the specific powers granted in  
12 this act. Such specific powers are not a limitation upon any power neces-  
13 sary or appropriate to carry out the purposes and intent of this act.

14 SEC. 12. In addition to the other means for providing revenue for  
15 the authority, the board has power to levy and collect general (ad  
16 valorem) taxes on and against all taxable property within the geographi-  
17 cal boundaries of the authority, such levy and collection to be made by  
18 the board in conjunction with the county and its officers as set forth in  
19 this act.

20 SEC. 13. 1. To levy and collect taxes, the board shall determine, in  
21 each year, the amount of money necessary to be raised by taxation, tak-  
22 ing into consideration other sources of revenue of the authority, and  
23 shall fix a rate of levy which, when levied upon every dollar of assessed  
24 valuation of taxable property within the geographical boundaries of the  
25 authority, and together with other revenues, will raise the amount  
26 required by the authority annually to supply funds for paying the costs  
27 of acquiring, operating and maintaining the airports of the authority, and  
28 promptly to pay in full, when due, all interest on and principal of general  
29 obligation bonds and other general obligations of the authority. In the  
30 event of accruing defaults or deficiencies, an additional levy may be  
31 made as provided in section 14 of this act.

32 2. The board shall certify to the board of county commissioners of  
33 Washoe County, at the same time as fixed by law for certifying thereto  
34 tax levies of incorporated cities, the rate so fixed with directions that at  
35 the time and in the manner required by law for levying taxes for county  
36 purposes the board of county commissioners shall levy such tax upon  
37 the assessed valuation of all taxable property within the geographical  
38 boundaries of the authority, in addition to such other taxes as may be  
39 levied by the board of county commissioners at the rate so fixed and  
40 determined.

41 SEC. 14. 1. The board, in certifying annual levies, shall take into  
42 account the maturing general obligation indebtedness for the ensuing  
43 year as provided in its contracts, maturing general obligation bonds and  
44 interest on such bonds, and deficiencies and defaults of prior years, and  
45 shall make ample provision for the payment thereof.

46 2. If the money produced from these levies, together with other reve-  
47 nues of the authority, are not sufficient punctually to pay the annual  
48 installments on such obligations, and interest thereon, and to pay defaults  
49 and deficiencies, the board shall make such additional levies of taxes as  
50 may be necessary for such purposes, and, notwithstanding any limitations,

1 the taxes shall be made and continue to be levied until the general obliga-  
2 tion indebtedness of the authority is fully paid.

3 SEC. 15. 1. The body having authority to levy taxes within each  
4 county shall levy the taxes provided in this act.

5 2. All officials charged with the duty of collecting taxes shall collect  
6 the taxes at the time and in the same form and manner, and with like  
7 interest and penalties, as other taxes are collected and when collected  
8 shall pay the same to the authority. The payment of such collections  
9 shall be made monthly to the treasurer of the authority and paid into the  
10 depository thereof to the credit of the authority.

11 3. All taxes levied under this act, together with interest thereon and  
12 penalties for default in payment thereof, and all costs of collecting such  
13 taxes, interest and penalties constitute, until paid, a perpetual lien on and  
14 against the property taxed; and the lien shall be on a parity with the tax  
15 lien of other general taxes.

16 SEC. 16. If the taxes levied are not paid as provided in this act, the  
17 property subject to the tax lien shall be sold and the proceeds thereof  
18 shall be paid over to the authority according to the provisions of the laws  
19 applicable to tax sales and redemptions.

20 SEC. 17. Whenever any indebtedness or other obligations have been  
21 incurred by the authority, the board may levy taxes and collect revenue  
22 for the purpose of creating funds in such amount as the board may  
23 determine, which may be used to meet the obligations of the authority,  
24 for maintenance and operating charges and depreciation, and provide  
25 extension of and betterments to the airports of the authority.

26 SEC. 18. Upon the conditions and under the circumstances set forth  
27 in this act, the authority may borrow money and issue the following  
28 securities to evidence such borrowing:

- 29 1. Short-term notes, warrants and interim debentures.
- 30 2. General obligation bonds.
- 31 3. Revenue bonds.

32 SEC. 19. The authority may borrow money and incur or assume  
33 indebtedness therefor, as provided in this act, so long as the total of all  
34 such indebtedness (but excluding revenue bonds and other securities  
35 constituting special obligations which are not debts) does not exceed  
36 an amount equal to 5 percent of the total of the last assessed valuation  
37 of taxable property (excluding motor vehicles) situated within the  
38 geographical boundaries of the authority.

39 SEC. 20. 1. The authority, upon the affirmative vote of four trustees,  
40 is authorized to borrow money without an election in anticipation of the  
41 collection of taxes or other revenues and to issue short-term notes, war-  
42 rants and interim debentures to evidence the amount so borrowed.

- 43 2. Such short-term notes, warrants and interim debentures:
  - 44 (a) Shall be payable from the fund for which the money was borrowed.
  - 45 (b) Shall mature before the close of the fiscal year in which the money
  - 46 is so borrowed, except for interim debentures.
  - 47 (c) Shall not be extended or funded except in compliance with the

48 Local Government Securities Law.

49 SEC. 21. 1. Subject to the provisions of NRS 350.001 to 350.006,  
50 inclusive, whenever the board determines, by resolution, that the interest

1 of the authority and the public interest or necessity demand the acquisi-  
2 tion, construction, installation or completion of any airport, or the making  
3 of any contract with the United States or other persons or corporations,  
4 to carry out the objects or purposes of the authority, requiring the crea-  
5 tion of an indebtedness of \$5,000 or more, the board shall order the sub-  
6 mission of the proposition of issuing such obligations or bonds or creating  
7 other indebtedness to the registered voters of the authority at an election  
8 held for that purpose in the manner provided by NRS 350.020 to 350.-  
9 070, inclusive.

10 2. Any such election may be held separately, or may be consolidated  
11 or held concurrently with any other election authorized by law.

12 3. The declaration of public interest or necessity required by this sec-  
13 tion and the provision for the holding of such election may be included  
14 within one and the same resolution, which resolution, in addition to the  
15 declaration of public interest or necessity, shall:

16 (a) Recite the objects and purposes for which the indebtedness is pro-  
17 posed to be incurred, the estimated cost of the works or improvements, as  
18 the case may be, the maximum amount of principal of the indebtedness to  
19 be incurred therefor, and the maximum rate of interest to be paid on the  
20 indebtedness.

21 (b) Fix the date upon which the election shall be held and the manner  
22 of holding it and the method of voting for or against the incurring of the  
23 proposed indebtedness.

24 (c) Fix the compensation to be paid the officers of the election, desig-  
25 nate the polling place or places and appoint, for each polling place from  
26 the electors of the authority, three officers of such election, one of whom  
27 shall act as clerk.

28 SEC. 22. 1. The election board or boards shall conduct the election in  
29 the manner prescribed by law for the holding of general elections, and  
30 shall make their returns to the secretary of the authority.

31 2. At any regular or special meeting of the board held within 5 days  
32 following the date of the election, the returns thereof shall be canvassed  
33 and the results thereof declared.

34 SEC. 23. 1. If it appears from the returns that the registered voters  
35 of the authority approved the proposition submitted in the manner pro-  
36 vided by NRS 350.070, the authority shall thereupon be authorized to  
37 incur such indebtedness or obligations, enter into such contract or issue  
38 and sell such bonds of the authority, as the case may be, all for the  
39 purpose or purposes and object or objects provided for in the proposition  
40 submitted and in the resolution therefor, and in the amount so provided  
41 and at a rate of interest not exceeding the rate of interest recited in such  
42 resolution.

43 2. Submission of the proposition of incurring such obligation or  
44 bonded or other indebtedness at such an election does not prevent or  
45 prohibit submission of the proposition or other propositions at any sub-  
46 sequent election or elections called for that purpose.

47 SEC. 24. The authority may issue bonds (without the necessity of  
48 holding an election and as an alternative or in addition to other forms of  
49 borrowing authorized in this act) for the purpose of acquiring or improv-  
50 ing airports, and the bonds shall be made payable solely out of the net

1 revenues derived from the operation of such airports or the furnishing of  
2 services, or from both such revenue sources of the authority; but a single  
3 bond issue may be had for more than one of such airports or services and  
4 the revenues for any of the income-producing airports and services pro-  
5 vided by the authority may be pledged to pay for any other such airport or  
6 service. To that end, a single utility fund for any number of such airports  
7 and services may be established and maintained.

8 SEC. 25. 1. Subject to the limitations and other provisions in this act,  
9 the board may issue on its behalf and in its name at any time or from time  
10 to time, as the board may determine, the following types of securities in  
11 accordance with the provisions of the Local Government Securities Law,  
12 except as otherwise provided in subsection 3:

13 (a) General obligation bonds and other general obligation securities  
14 payable from general (ad valorem) property taxes;

15 (b) General obligation bonds and other general obligation securities  
16 payable from general (ad valorem) property taxes, the payment of which  
17 securities is additionally secured by a pledge of and lien on net revenues;

18 (c) Revenue bonds and other securities constituting special obligations  
19 and payable from net revenues, but excluding the proceeds of any general  
20 (ad valorem) property taxes, which payment is secured by a pledge of  
21 and lien on such net revenues; or

22 (d) Any combination of such securities.

23 2. Nothing in this act prevents the authority from funding, refunding  
24 or reissuing any outstanding securities of the authority of a type desig-  
25 nated in subsection 1 as provided in the Local Government Securities  
26 Law.

27 3. General obligation or revenue bonds may be sold for not less than  
28 90 percent of their face amount and for an interest coupon rate of not  
29 to exceed 9 percent per annum, without regard to effective interest rate.  
30 If no bids are received or if the bid or bids received are not satisfactory  
31 as to price or responsibility of the bidder, the bonds may be readvertised  
32 or sold at private sale.

33 SEC. 26. The board may provide for the appointment of a paying or  
34 fiscal agency within or without the state, in relation to any general obliga-  
35 tion or revenue bonds of the authority, which shall be a bank possessing  
36 trust powers and which shall act in a fiduciary capacity and not as a  
37 depository, and may:

38 1. Provide for the powers, duties, functions and compensation of the  
39 agent.

40 2. Limit the liabilities of the agent.

41 3. Prescribe a method for his resignation and removal, and the  
42 merger or consolidation of agents.

43 4. Prescribe a method for the appointment of a successor agent and  
44 the transfer of rights and properties to the successor.

45 SEC. 27. 1. Bonds issued pursuant to this act, and the income there-  
46 from, are exempt from all state, county and municipal taxation.

47 2. All public officers and bodies of the state, municipal corporations,  
48 political subdivisions, all insurance companies and associations, all sav-  
49 ings banks and savings institutions, including savings and loan associa-  
50 tions, all executors, administrators, guardians, trustees and all other

1 fiduciaries in the state may legally invest funds within their control in  
2 bonds of the authority.

3 SEC. 28. The authority is a public employer within the meaning of  
4 NRS 286.070, and the provisions of chapter 286 of NRS (Public  
5 Employees' Retirement Act) apply to the authority and its employees.

6 SEC. 29. The authority by action of the board may adopt its own  
7 civil service plan to be administered by the board, which plan shall include  
8 but need not be limited to the following provisions:

9 1. Entry into the service on the basis of open competition.

10 2. Service, promotions and remuneration on the basis of merit, effi-  
11 ciency and fitness.

12 3. Classifications of the positions in the service.

13 4. The rating of candidates on the basis of publicly announced com-  
14 petitive examinations and the maintenance of lists of eligible candidates.

15 5. Employment of candidates from the eligible lists in the highest  
16 qualified rating.

17 6. Probationary periods not to exceed 6 months.

18 7. Disciplinary action, suspension or discharge of employees for cause  
19 only with the right of notice and review.

20 8. Schedules of compensation and pay increases prepared by the  
21 board.

22 9. Promotion on the basis of ascertained merit, seniority in service  
23 and competitive examinations.

24 10. Provision for keeping service records on all employees.

25 11. Regulations for hours of work, attendance, holidays, leaves of  
26 absence and transfers.

27 12. Procedures for layoffs, discharge, suspension, discipline and rein-  
28 statement.

29 13. The exemption from civil service of persons employed to render  
30 professional, scientific, technical or expert service of a temporary or  
31 exceptional character, persons employed on projects paid from the pro-  
32 ceeds of bonds issued by the authority and persons employed for a period  
33 of less than 3 months in any 12-month period.

34 14. Review by the board, at the request of the employee in question  
35 and after notice and public hearing of any disciplinary action, suspension  
36 or discharge of any employee, which action, suspension or discharge may  
37 be affirmed, modified or reversed by the board. Findings of fact by the  
38 board are subject to review by any court except for illegality or want of  
39 jurisdiction.

40 SEC. 30. Nothing contained in this act limits any power of the cities  
41 of Reno and Sparks or Washoe County to regulate airport hazards by  
42 zoning.

43 SEC. 31. 1. It is the duty of the board of trustees of the authority  
44 and the city council of the City of Reno, before October 1, 1977, to  
45 enter into an agreement for the orderly transfer to the authority of the  
46 airport properties, functions and outstanding obligations of the City of  
47 Reno, not inconsistent with the rights of existing bondholders, effective  
48 July 1, 1978. The agreement may include provisions for the transfer of  
49 the City of Reno airport employees to the authority with the retention  
50 by the employees of any civil service status.

1       2. On July 1, 1978:

2       (a) Any money on hand or to become available to the City of Reno  
3 for airport purposes shall be paid directly to the authority.

4       (b) The City of Reno shall deliver to the authority all property ordi-  
5 narily and appropriately used in the operation and maintenance of the  
6 airport.

7       (c) The authority shall assume the obligations issued and accounts  
8 payable by the City of Reno for airport purposes.

9       3. During the fiscal year ending June 30, 1978, the City of Reno  
10 shall continue the operation and maintenance of its airport but its  
11 operation and maintenance shall cease on July 1, 1978. Thereafter the  
12 cities of Reno and Sparks shall not exercise any powers relating to air-  
13 ports vested in their city councils or the cities by special or general law.

14       4. The board of trustees of the authority first appointed pursuant to  
15 the provisions of this act shall:

16       (a) Meet promptly after their appointment and organize.

17       (b) Execute the mandatory agreement specified in subsection 1 of the  
18 section.

19       (c) Prepare the necessary budgets for the authority for the fiscal year  
20 ending June 30, 1979, pursuant to law.

21       (d) Assume full control, operation and maintenance of the Reno  
22 municipal airport on July 1, 1978, and exercise fully thereafter all of the  
23 powers and assume all of the duties granted to and imposed upon the  
24 board by this act.

25       SEC. 32. If any provision of this act or the application thereof to any  
26 person or circumstances is held invalid, such invalidity shall not affect  
27 other provisions or applications of the act which can be given effect  
28 without the invalid provision or application, and to this end the provi-  
29 sions of this act are declared to be severable.

SENATE

GOVERNMENT AFFAIRS COMMITTEE

Minutes of Meeting - March 9, 1975

Present:

Chairman Gibson  
Senator Foote  
Senator Faiss  
Senator Gojack  
Senator Raggio  
Senator Schofield

Also Present: See Attached Guest Register

Chairman Gibson opened the twentieth meeting of the Government Affairs Committee at 1:30 p.m.

SB-314 was the first order of business. The committee needed to have this bill re-referred to the Finance committee due to land transfer, the real heart of the bill is the appropriation of two million dollars.

Motion to Re-refer to Finance by Senator Schofield, seconded by Senator Faiss. Motion carried unanimously.

AB-294

Authorizes Washoe County to utilize certain portions of Washoe County fairgrounds for county public building complex. (BDR S-957)

Russ McDonald, Washoe County, indicated that there was a great deal of support on this bill. Mr. McDonald gave the committee the background history on the bill.

Motion of "Do Pass" by Senator Raggio, seconded by Senator Gojack. Motion carried unanimously.

SB-110

Provides for corrective action by State where local government is in financial difficulty. (BDR 57-293)

Senator Dodge, sponsor, testified to the committee on the intent of this bill. The Senator felt that the situation in New York wouldn't have happened or been so severe if this type of legislation was available to them. He wanted to make clear that he hoped that this type of legislation would not be used but only a safe guard in the statutes.

Jim Lien, Tax Commission, spoke in favor of this bill. He had prepared a testimony that he read to the committee. (See Attachment #1)

Bob Broadbent, County Commissioners. stated they were in favor of this bill. They feel that it will be a protection to the small communities and help them do a better job. In Section 10, they suggested that it might be amended to change the language about long term indebtedness.

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Matt Benson, Rancher in Carson Valley, testified to the committee and stated that grazing fees are not taxes or assessments. They don't see them as applied in this bill. Would like to let the funds be used as in the past. Wants the bill to die in committee.

Stanley Ellis, Chiarmman of State Advisory Board, testified that he also was against the bill.

Motion to Indefinitely Postpone by Senator Gojack, seconded by Senator Foote. Motion carried unanimously.

SB-198

Creates Washoe County Airport Authority. (BDR S-847)

Senator Raggio, one of the sponsors, spoke to the committee on this bill and referred them to the two reports that had been passed out for their review. (See Attachment 5 - Majority Report and Attachment 6 - Minority Report)

Senator Raggio noted that there had been a good deal of study on this bill by the interim committee. A similar bill was before the legislature during the last session and it was the decision of the Government Affairs Committee that a study committee should be appointed and under the legislation that was enacted it was to determine whether a special governmental corporation (commonly referred to as an airport authority) should be formed to govern the operation of the Reno International Airport in lieu of the city of Reno.

The Reno airport is now serving the inhabitants of regional area and an ever increasing number of tourists. They felt that the financial problems of the airport have become more complex. They also noted that the administrative machinery of the airport should be more responsive to the community at large. Senator Raggio wanted the records to indicate that these were not his statements but the findings of the interim committee. Senator Raggio then referred the committee to Mr. Robert Heaney, spokesman for the "pro" side of the issue.

Mr. Robert Heaney went over parts of the Majority Report for the committee. They feel that the airport authority is necessary and the time right. He also pointed out that they support a wider tax base, opportunity for developing greater expertise, liklihood of private enterprise incentives, and marketing possibilities for revenue bonds.

He continued that this bill does lend itself for transference to the counties. The manner of transfer is left open. He discussed type and amount of remuneration to the city of Reno, (5 million)

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Some of the disadvantages that he highlighted were the possibility of putting too much power in the hands of a few people. The feeling that the bill is unclear about existing contracts.

Mr. Heaney then went on to note that Mr. Bob Hicks from Walt Disney Production favored the airport authority concept. He felt that with the Disney Productions creating the vacation/recreation area at Independence Lake they would need to have a good airport to handle the traffic that would be coming through. He also wanted to stress that he was not taking a stand but he wanted a good, strong airport system in this area.

Mr. Heaney also noted that Brig. General Jack Lagrange, Commander of the Nevada Air National Guard couldn't be present to testify but favored the airport authority bill. Mr. George Carnes, Manager of S.S. Kresge wanted to have it go on record that he was in favor of the airport authority bill too.

Mr. Al Wittenberg, serving as a member of the interim study committee testified to the committee in favor of the airport authority bill. Mr. Wittenberg who was an assemblyman last session stated that he was responsible for the airport authority bill that was introduced in the 1975 session. He felt that the reason for introduction during the last session was the serious financial difficulties the airport was in and still feels that the area would be better served by an airport authority. Mr. Wittenberg concurred with Mr. Heaney's testimony for the most part but stated that with the way the airport is run now you could lose some people with great familiarity and expertise every 4 years during the election period.

Bob Rusk, member of the committee that produced the Majority Report likes the idea of having the members from the local area. He noted that in Section 12 of the bill; there is a feeling that an appointed board should not have the authority to levy a tax rate. They feel that this authority should be left with the paid, elected body, such as the county commissioners or the city council.

Jerry Grow, interested citizen who was on the study committee indicated that the other men have made the comments that he felt pertinent. He is in favor of the airport authority bill.

Bill Cottinger, President of the Chamber of Commerce in Reno, gave written testimony to the committee favoring airport authority. See Attachment #7. He also indicated that the MGM Grand Hotel has generated much enthusiasm for the airport authority concept. It was his feeling that the Reno International Airport was not prepared to handle the air traffic.

Vern Durkee, Travel Industry, Airport Advisory Commission Member, testified to the committee from his written testimony. See Attachment No. 8.

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Frank Johnson, Vice President of the Hilton Hotel corporation, testified in favor of the bill. He indicated that the Hilton is planning expansion and wants to be assured that the airport will be able to handle the increased air traffic over the next few years.

Ted Herman, Reno, worked on the Majority Report and was on the original Advisory Commission. Mr. Herman read his testimony to the committee and indicated that many companies that will be opening soon are looking at the airport and its facilities with great anxiety. They feel that it needs much improvement for the increase in air traffic. Freight Handling facilities are badly needed. He also noted that financing up to 93% can be received from the federal government if the airport goes to the airport authority concept. The remaining amounts should be received from revenue bonds. He felt it would take ten years to build and equip a new airport. We must make the one we have now efficient. See Att. #9

Joe Lattimore, noted that he previously served as the City Manager for 14½ years. He worked on the Majority Report as the consulting engineer. He indicated some items that were in error. He went over the report and pointed out the error in computing the amount the Reno International Airport has been operating in the red (re. airport landing fees) noting that it has been necessary to supplement the airport fund with general revenues. According to the audit figures the airport lost approximately \$390,000 in 1974 and would show a loss of approximately \$1,500. per day in 1975. Feels that this is incorrect. Mr. Lattimore noted that it should be a net operating income (before depreciation) of \$137,404. We calculated in the depreciation to indicate it on a break even basis. The depreciation calculated is on the federal grants and the capital outlay which is not an actual expense in operating the airport. An additional item that was not calculated in the loss figure is the interest and repayment of the general obligation bonds.

Mr. Lattimore felt that this figure should be brought to the committees' attention in order for it to truly look at the whole picture before making a decision.

He also noted that in the 14 budgets that he prepared for the city of Reno for the airport there were no general fund monies appropriated for the airport.

Mr. Lattimore went on to state that he was unsure of the bills definition of "airport". Should state "airports" as the city of Reno does operate two airports. On Page 4, line 13, paragraph 4, which relates the airports authority to sell, lease or otherwise dispose of any real property. It doesn't state the limitations or provisions. Also on Page 4, line 49 - We already have some three fire protection agencies working now. The provision should



be included in the bill to permit the authority to contract for these services. Page 10, line 7 provides that the authority shall assume the obligations, issues and the accountants payable by the city of Reno for the airport purposes. This indicates that the authority would be assuming the outstanding bonding indebtedness. He questioned as to whether or not the possibility of a legislative act placing the obligation of the bond issue on a body that didn't vote for the issue. The present bonding law for Washoe County, City of Reno and City of Sparks requires a vote of the people to assume any general obligations. It appears that it would be necessary to have a vote of those who are going to assume the general obligations.

Mr. Lattimore concluded by stating that it is his opinion that the airport authority bill will help the airport become a much more efficient place of travel and will be able to handle the much needed expansion plans for the future. Suggested that the committee vote "Do Pass".

Mayor Carl Bogart was most adamant in his feelings that Reno is doing a very good job. Now is not the time to take the responsibility away. Is against this bill.

Bob Oldland, City Manager in Reno, testified on the Minority Report and against this bill. See Attachment 6 for the Minority Report. Mr. Oldland felt the timing was wrong. The people there have been working hard to correct the problems of management over the years and now beginning to make good progress. Mr. Oldland feels that these reports, Majority Report, doesn't take into consideration the problems that will be encountered in changing to an airport authority. In 1975 the city moved to put the airport on a positive paying basis. They are operating in the black and plan to continue making more improvements with the airport.

Clyde Biglieri, City Councilman, felt that the city should be commended. He worked personally to make the changes that have occurred over the past two years and feels that it isn't fair to have it turned into an airport authority now when they are beginning to turn the tide. Mr. Biglieri entered into the records two checks that have been received as back payment on landing fees. See Attachment #10.

Pat Lewis, Council member for the city of Reno, testified against this bill. She feels that it is inequitable to levy taxes to the outer areas for the airport. Feels that shortly the airport will be on a paying basis and making a profit for the city of Reno. She also indicated that the vote was not that clear cut. Felt that many members changed their minds between a one month period.

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Mrs. Lewis also found fault with the election requirement for the ability to spend \$5,000 or more. This is binding and will cause a great deal of trouble. She also feels that the advisory boards adds a layer of protection. The State's function should be enabling not mandatory. At this time Mrs. Lewis informed the committee of the many money making projects that have been started and considered.

Mrs. Lewis felt that the ratio of safety at the Reno International airport is taken lightly. Mr. John Sodak, Airport Safety Director at the San Francisco airport rated the Reno airport as one of the safest in the country. She also stated that a noise suit has been resolved with the money coming from the easement fee.

They also have hired a Mr. Richard Campbell who will be working on the new air routes.

Councilmen Bruno Menicucci, testified against this bill. Wanted the bill to recognize that the airport is the Reno International Airport. Mr. Menicucci reiterated the testimony given previously by Mr. Heaney and wanted to re-emphasize that they have people with great expertise. If the airport authority bill passes what will happen to those who know so much about the airport? He also stated that it was his hope that they would soon be operating off revenue bonds.

Mr. Menicucci asked the committee to turn to page 6, item 11 of the Majority Report. It says, to me, that it should provide for members on a population basis and the bill doesn't address the area to be considered. He also suggested that the committee consider the reason that this bill is before them now, now that the airport is finally on its feet and making money.

Chairman Gibson asked those against the bill if they felt they had the area and funds available for the increased growth within the next few years.

Senator Hilbrecht stated he would like to see the city of Reno's capabilities to make the type of improvements that are needed. He also saw the 5 million dollar fee as a poor figure for remuneration.

Mr. Walter Mallally, City of Reno, stated that the Majority Report is unrealistic. Read his testimony to the committee. See Attachment #11. In questions from the committee Mr. Mallally stated that if the bill does pass he would suggest making the five man committee seven members. He also disagreed with the election requirement of purchases of \$5,000. or more. He felt that the market value of the airport is approximately 30 million dollars.

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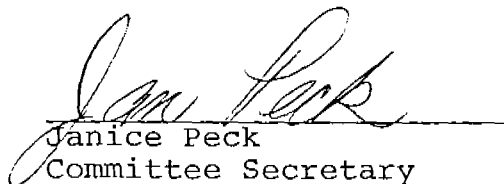
Mr. Petrocini, airport advisory board member, testified to the committee against this bill. He was also concerned about the people that now work with the airport and have that expertise. What would happen to them and how would they be replaced without a loss to the effectiveness of the airport, could set progress with the airport back five years.

Mr. H.E. Protzmann, Burns & McDonnell, testified against this bill. Also on hand was Mr. Ken Jones, Airport Director. They informed the committee that within 90 days they hope to have the final element of the Stage 1 program. Should be able to handle two million passengers a year. There is a good chance that steps 1 and 2 could be combined in the hopes of saving time.

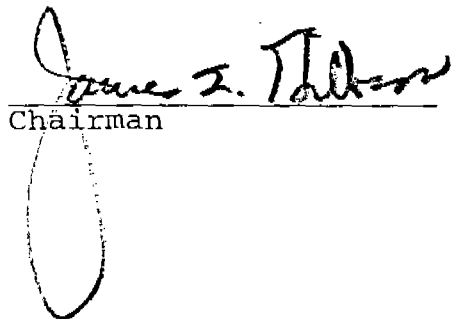
Bill Barton, Assistant Vice President of the First National Bank testified to the committee in favor of the bill. Mr. Barton read a letter to the committee from the president of his bank. See Attachment 12.

As there was no further testimony to be given at this time the Chairman adjourned the meeting at 7:05 p.m.

Respectfully submitted,

  
Janice Peck  
Committee Secretary

Approved:

  
Chairman

STATE OF NEVADA  
LEGISLATIVE COUNSEL BUREAU

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May 18, 1976

Assemblyman Robert E. Heaney  
232 Court Street  
Reno, Nevada 89501

Dear Bob:

In connection with the Washoe County Airport Study, you have presented the question whether a separate airport authority could assume control of the Reno airport without compensating the City of Reno for its substantial investment in that facility. Clearly this could not be done without express authority from the state legislature, but your question is particularly directed to the situation where such authority is given.

Section 8 of article 1 of the Nevada constitution provides in relevant part:

No person shall \* \* \* be deprived of life, liberty, or property without due process of law; nor shall private property be taken for public use without just compensation having been first made, or secured \* \* \*.

Section 1 of the Fourteenth Amendment to the United States Constitution also forbids any state to "deprive any person of life, liberty, or property, without due process of law." In Hunter v. Pittsburgh, 207 U.S. 161 (1907), the Supreme Court squarely decided under the Fourteenth Amendment that a state could without compensation deprive a city of property held in its governmental capacity, and vest such property in another agency. It refused to decide whether this power of the state extended to property held by a city in its proprietary capacity.

The authority of the City of Reno to operate an airport must be found in the Municipal Airports Act, chapter 496 of NRS,

Assemblyman Robert E. Heaney

May 18, 1976

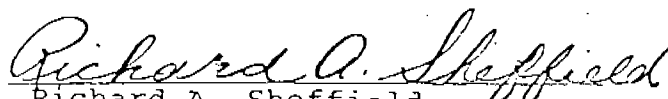
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for the city charter is silent upon the subject. NRS 496.250 provides in subsection 2 that "[a]ll land and other property and privileges acquired and used by \* \* \* any municipality \* \* \* for the purposes enumerated in this chapter \* \* \* are hereby declared to be acquired and used for public and governmental purposes." Thus the Nevada legislature could transfer the Reno airport to another agency without compensation to the City of Reno. This result would not be changed by applying the "just compensation" clause of the Nevada constitution or the equivalent clause of the Fifth Amendment, which would probably now be considered applicable to the state through the Fourteenth, for the same distinction between governmental and proprietary functions would preclude considering the municipal airport as "private property." A modern state case, applying state constitutional provisions similar to Nevada's reached this same result: Madison Metropolitan Sewerage Dist. v. Committee on Water Pollution, 50 N.W. 2d 424 (Wis. 1951).

It is interesting that although the Hunter and Madison cases emphasize the governmental versus proprietary test, neither your humble servant nor, apparently, the authors of the standard texts have found any case where a court has actually required a state to compensate a city for any transfer of its property to another governmental authority. See, for example, 2 McQUILLIN, MUNICIPAL CORPORATIONS (3rd Ed., 1966 Rev. and 1975 Supp.) § 4.20. Of course, the fact that compensation is not constitutionally required does not prevent the legislature from providing it, or from leaving title to the airport real estate vested in the City of Reno. This would be a question of legislative policy as to which the study committee may wish to recommend. If you do, you may wish to consider also that if a separate airport authority had title to the real estate and needed to issue bonds for expansion or improvement, a pledge of the real estate in addition to the revenues might gain a lower rate of interest. This would benefit the people of Reno equally with other users of the airport and taxpayers within the jurisdiction of the authority.

Very truly yours,

FRANK W. DAYKIN  
Legislative Counsel  
(signed by direction)

  
Richard A. Sheffield  
Chief Deputy

FWD:j11

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MAJORITY REPORT  
OF THE  
WASHOE COUNTY AIRPORT  
STUDY COMMITTEE

---

Randall V. Capurro  
Gerald G. Grow  
Robert E. Heaney  
E. T. Hermann  
William J. Raggio  
Robert F. Rusk  
Albert M. Wittenberg

Prepared and submitted October 27, 1976, pursuant to A.B. 498,  
Chapter 742, 1975 Nevada Statutes, for consideration by the  
1977 Nevada Legislature.

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Appendix A - Summary of Meetings	

A. INTRODUCTION

The 58th Session of the Nevada Legislature, by passage of AB 498 introduced by the Washoe County Delegation, and enacted as Chapter 742, 1975 Nevada Statutes, created the Washoe County Airport Study Committee to conduct a study to determine whether a special governmental corporation, commonly referred to as an Airport Authority, should be formed to govern operation of the Reno International Airport in lieu of the City of Reno.

The Legislature expressly found 1) that the Reno Airport is now serving the inhabitants of a regional area and an ever-increasing number of tourists, 2) that the financial problems of the Airport have become more complex and 3) that the administrative machinery of the Airport should be more responsive to the community at large and Airport operators and users.

Specifically the Study Committee was directed to:

1. Conduct a study to determine:
  - a. Whether a special governmental corporation should be formed to provide adequate air services to Washoe County.
  - b. What measures, if any, should be taken to provide:
    - (1) Sufficient funding and to establish the administrative machinery necessary to insure adequate air service to Washoe County and the surrounding areas.
    - (2) Safe and convenient air travel and transport to and from the Reno area.
2. Report the results of each study to the 59th session of the Legislature, together with recommendations for any necessary and appropriate legislation.

The following report is submitted in accord with the vote taken at the September 29, 1976, meeting of the Washoe County Airport Study Committee whereby seven members, forming a majority of the Study Committee, voted in favor of recommending to the Legislature formation of a special corporation known as an Airport Authority to govern operation of the Reno International Airport.



It is the belief of the majority that the findings expressed herein are consistent with, and supported by, the evidence presented to the Study Committee during the course of its year of meetings and deliberations. A summary of the meetings is attached hereto as Appendix A.

The testimony of witnesses is summarized in the written minutes of monthly meetings, while other evidence in the form of survey and questionnaire materials sent to airports throughout the nation, legal opinions prepared by Legislative Counsel, and various written background materials furnished to the Committee by certain witnesses all form a part of the record which should be reviewed by the Legislature along with the Study Committee's report.

It is to be noted that Legislative Counsel expressly concluded in opinions dated May 18, 1976, and July 7, 1976, that the Legislature could authorize transfer of the Airport from the City of Reno to an Airport Authority without violating federal or state constitutional prohibitions against taking property without compensation and against local or special laws.

In reaching its findings, the majority considered criteria relating to: 1) Airport funding, 2) Airport management, and 3) Airport facilities and services. The latter was analyzed in light of local passenger and tourist use, industrial community use, and fixed base operator use. Paramount in the decision reached by the majority was the Legislature's expressed concern in A.B. 498 for making a recommendation which, in the majority's opinion, would best insure adequate air services to Washoe County and the surrounding area.

#### B. SUMMARY OF FINDINGS

1. Adequate funding of the Airport and its future financial health can best be insured by creation of an Airport Authority which has the following advantages over the present municipal operation of the Airport:
  - a. Support of a wider tax base for increased financial capacity, i.e., for backing of general obligation bonds necessary for needed Airport improvements and for backing revenue bond debt service, but only in the event that Airport revenues are not sufficient to meet Airport costs.

- b. Opportunity for development of greater expertise essential to profitable Airport administration in an area of increasing financial complexity and escalating costs.
  - c. Likelihood of the exercise of private enterprise incentives sufficient to promote affirmative action programs that will supplement regular Airport landing fee revenues by establishment of fully developed fixed base operator facilities and auxiliary Airport and terminal services so as to maximize aviation and user activity conducive to generation of nonflight Airport revenues.
  - d. More attractive marketing possibilities for revenue bonds, which should be the primary source of Airport financing, based upon increased opportunity for development of self-sustaining Airport revenues under an Airport Authority.
- 2. The mere fact that the present City Council has apparently solved the landing fee inadequacy is not in itself sufficient reason for concluding that the Airport should be operated by the City.
  - 3. Federal funds will be available to an Airport Authority on the same basis as they are now available to the City of Reno, and possibly, to a greater extent if any consideration is given to the enlarged area represented by an Authority.
  - 4. Adequate safeguards exist by means of the legislative process to structure the financial powers of an Airport Authority to insure fiscal responsibility and at the same time give the Authority the essential powers for necessary revenue generation, short of direct taxation.
  - 5. Revenue bonds appear to be the best device for financing needed Airport improvements backed by a provision in any negotiated landing fee contract with the airlines authorizing periodic adjustment of landing fees to meet debt service for said bonds at any time during the term of the existing contract. If, for any reason, sufficient revenues are not available, a "double-barrel" approach can be utilized whereby an Authority would be authorized to invade ad valorem taxes to the extent of meeting debt service.
  - 6. The establishment of an Airport Authority will not automatically result in increased cost to the taxpayer

because of duplication of personnel and equipment or additional bureaucracy by creation of an additional layer of government. An Authority may be empowered so it can utilize existing personnel and equipment of either the Cities of Reno or Sparks or Washoe County, or any combination thereof, on a contractual basis, payable by generated Airport revenues. Moreover, some economies might be achievable under an Airport Authority by a consolidation of resources which are not achievable under the present singular municipal operation.

7. Optimum Airport management can best be achieved under an Airport Authority for the following reasons:
  - a. Decisionmaking involved in the municipal operation of the Airport has been, and may be, subject to "local politics" and special interest concessions which have been, and may continue to be, adverse to public Airport user interest. An appointed Airport Authority, not obligated to any person or special interest, other than the Airport itself, would be free from undue political pressures or adverse influence associated with the Airport's operation in years past.
  - b. City Councilmen lack the necessary time in view of their increasingly heavy workloads and time commitments to adequately serve the needs of Reno's growth, and at the same time keep pace with the running of administrative machinery necessary to cope with the complex problems of modern Airport operation. Expertise for such administrative machinery can best be acquired and retained by virtue of an Airport Authority whose members may concentrate their available time, energies, and abilities to the task of overseeing Airport operations without the distractions commonly associated with service on the City Council. In other words, members of an Authority may truly become "specialists" in their assigned responsibilities.
  - c. Continuity of acquired expertise of members serving on an Airport Authority can be maintained by staggered appointments of individuals not subject to ouster by recurring elections.
  - d. Streamlining of the decisionmaking process is possible by a more direct chain of command whereby the Airport Authority deals directly with the Airport Manager and his staff. This avoids the cumbersome procedure whereby the Airport Manager must report to the City

Manager, who reports to the City Council, which consults with the Airport Advisory Commission, and thereafter, may follow, or not follow, the Commission's recommendations as to any particular matter. It is doubtful that such a procedure is conducive to an efficient Airport administration and operation.

8. Present Airport facilities and services at the Reno Airport are inadequate when compared to many other airports of comparable size, i.e., "medium hub" airports serving five hundred thousand to two million passengers per year. It is to be noted that this year, according to testimony by the Airport Manager, the Reno Airport is expected to handle over one million passengers.
9. Enhanced Airport facilities and services available to local and tourist passengers, the industrial community, and fixed based operators can best be achieved by an Airport Authority for the following reasons:
  - a. An Airport Authority, with members appointed by the Cities of Reno and Sparks and Washoe County, will be more representative of, and responsive to, the collective interest of the regional area which the Airport geographically serves. At present, the City Council, as governing body for the Airport, serves a multijurisdictional area far exceeding the political jurisdiction of the City of Reno. The governing body for the Airport should be closer in line with the scope of the regular service and user area, which takes in all of Washoe County, a large part of Northern Nevada, and parts of Northern California.
  - b. Improved terminal and auxiliary facilities such as baggage handling, passenger loading, and public transportation serving the Airport are more likely to be established under an Airport Authority which will develop greater expertise and financial capability so as to allow necessary expansion and improvements.
  - c. Airline scheduling and routing to and from the Airport are more likely to be improved under an Airport Authority, given the time and expertise to pursue these goals.
  - d. Charter flights, both departing and arriving, are more likely to be encouraged as an additional source of Airport flight revenues under an Authority.

- e. Air freight cargo shipment facilities and air freight carrier service are more likely to be developed and promoted for the benefit of local industrial community users, and as a source of additional Airport flight revenues under an Authority.
  - f. Fixed base operator facilities of all types, and serving both airlines and general aviation, are more likely to be encouraged under an Airport Authority as a means of generating nonflight revenues.
- 10. Safe and convenient air travel for passengers and transport cargo is more feasible under an Airport Authority which is better structured to develop the required expertise and stability to promote such goals.
  - 11. Any legislation proposed for formation of an Airport Authority should provide for appointment of members on a population proportionate basis among the Cities of Reno and Sparks and Washoe County, and further, should provide for appointment and removal of members by the affected local governments in order to retain appropriate local control over selection and retention of appointees. An alternative would be to provide that members of the Authority be elected, with one or two members running at large.

### C. DISCUSSION.

#### 1. Airport Funding

##### a. History

The Reno Airport for the past twenty-three years, since acquisition of the Airport from United Airlines, has suffered the misfortune of being contractually bound to one of the lowest, if not the lowest, landing fees in the nation, 6 cents per thousand pounds of gross landing weight. As a result, for the past several years, the Airport's operation has been run in the red, and it has been necessary to supplement the Airport's operation with general City revenues. According to audit figures, the Airport lost approximately \$390,000 in 1974, and will show a daily loss of approximately \$1,500 per day for 1975. In 1974, total landing fees paid the City were approximately \$92,000 which compared to parking lot fees of \$96,000. During the twenty-three years of the

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437,500

present twenty-five-year contract, Airport landing fee revenues have remained at the same low level, approximately \$80,000 to \$90,000 per year.

The deplorable landing fee situation at the Reno Airport is to be contrasted with the healthy situation in Clark County, where the Airport, having a 42-cent per thousand pound landing fee, showed a net profit of \$2,800,000 in 1974. Also, it is to be noted that, while the federal government took in \$2,000,000 for customs landing fees at the Reno International Airport during 1974, those same flights generated the City of Reno only \$2,000 in landing fees.

Although the City had the right to renegotiate the United Airlines contract when United Airlines was paid off many years ago, it failed to act and has been contractually bound to the ridiculously low 6-cent landing fee ever since. The twenty-five-year contract is due to expire in 1978, unless before then the airlines accept the current proposals by the City of Reno to increase landing fees retroactive to July 1, 1975.

b. Current Negotiations

It is the understanding of the Study Committee, based upon information supplied by the City of Reno, that the proposed new contract with the airlines will provide for a 27.9-cent per thousand pounds landing fee which will result in a \$1,000 per day increase in landing fee revenues. It has been further explained that the contract will provide for flexible adjustment, upward or downward, according to the amount of revenues needed for Airport capital improvements. It is understood that this contract is to run for eleven years, retroactive to July 1, 1975.

Testimony offered by the Reno City Manager, Mr. Oldland, indicated that the City deemed it prudent to act now to get out of the existing contract before expiration approximately two years from now, at which time the City would have the right to set the landing fee by City Ordinance, without negotiation. According to Mr. Oldland, the City believes it would be better to start receiving additional revenues now in order to meet needed terminal expansion and other Airport expenditures. Mr. Oldland also indicated that he thought a negotiated contract would provide

for better bond marketability by virtue of having a long-term contract which guarantees debt service in landing fee structures, rather than an annual ordinance which might not be as flexible. Moreover, Mr. Oldland mentioned that a landing fee ordinance could not be set capriciously for the reason that the same factors must be taken into account as are involved in setting fees in the course of a negotiated contract.

c. Role of Federal Government

The Federal Government has played a predominant role in the development of nonterminal facilities at the Reno International Airport. In fact, testimony from Lowell Bernard on November 19, 1975, whose firm conducted an independent and extensive audit of the Airport in January 1975, testified that the Federal Government's contributions to the Reno Airport through the Federal Aviation Administration during the period 1955 through 1974 approximated \$7,000,000. During the same period of time, the City of Reno's total expenditures were approximately \$5,000,000, including the original purchase of the Airport in 1953 for approximately \$1,000,000.

The Committee also heard testimony from Colonel Jack LaGrange, Commander of the Nevada Air National Guard based at the Reno Airport, who testified that, as a result of the Air Guard's presence at the Airport, approximately \$3,000,000 of additional federal funding has been received over the past years for development of improvements of general benefit to the Airport.

d. Tax Base

In addition to the independent revenues generated by the Airport, operation of the Reno Airport has been heavily dependent upon its support from the general revenues of the City of Reno which have been necessary to supplement Airport generated funds. It is apparent that, since the Airport serves a much greater local area than just the City of Reno, the residents and taxpayers of Washoe County should share in whatever general revenue costs are necessary for future Airport operation, assuming that a countywide Authority is established. It is also apparent that, by having a wider tax base, certain financial advantages in terms of general obligation bonding, if

necessary, and debt-service backing for revenue bonds, could be achieved.

e. Future Outlook

While the Reno Airport appears on the road to financial recovery, in view of the encouraging developments of the past year and one-half in negotiations undertaken by the City with the airlines, there is no assurance that the financial health and independence of the Reno Airport has thereby been guaranteed. Indeed, it is the opinion of the majority that the financial independence and stability of the Reno Airport can best be insured by an Airport Authority with ongoing financial and management expertise which an Airport Authority seems more likely to offer. There are those who, undoubtedly, will say that the present City operation of the Airport ought to be given a chance, in view of the improved situation. However, this consideration alone should not outweigh sound considerations which support an even better financial outlook if the Airport's operations are turned over to an Airport Authority.

2. Airport Management

a. Local Politics

It is apparent to the majority that decisions made affecting Airport operations, especially in the area of leased concessions, have often been subjected to "local politics" which is not always conducive to the public's interest in terms of optimum Airport facilities. Airport concessions should be bid on a truly competitive basis and awarded on the basis of the best service offered with the maximum return in generated Airport revenues as consideration for awarding such bids.

The advantages of removing local politics from Airport operation are borne out by the experience of those cities similar in size to Reno which have changed from city control to authority control. Without exception, the cities responding to the Legislative questionnaire (Cedar Rapids, Huntsville, Montgomery, Peoria, Savannah, Tampa, and Toledo), all cite the advantages of removing politics from the airport. They all indicate that airports run by authorities can be put on a business footing and pay their own way.



It is the opinion of the majority that an Airport Authority which is appointed or elected solely to serve the Airport, can better handle business aspects of Airport operation and thereby increase concession revenues and benefits to public users.

b. Specialization

The majority was very much impressed with the candid testimony of Mr. Joe Latimore, former Reno City Manager, who, at May 12, 1976, meeting of the Study Committee, outlined various reasons supportive of formation of an Airport Authority. Mr. Latimore testified that there is an increasing workload on the duties and time of elected city officials, and that they are now so busy that they are serving three to four nights per week. In addition, the functions of city government have expanded into many fields not previously contemplated. With this in mind, Mr. Latimore believed that it is time to look at the possibility of the creation of an Airport Authority, with its members having basic responsibility for Airport operation. Creation of an Authority does not guarantee that a better job will be done, but if created, the members serving thereon will be strictly concerned with operating the Airport, without having to divide their time or attention among other matters.

c. Facilitation of Decisionmaking

It was also Mr. Latimore's testimony that the present situation with the City Council and the Airport Advisory Commission has not worked out in the most desirable manner. The Airport Commission is charged to study problems relating to Airport operations and thereafter make recommendations and suggestions to the City Council for final approval. In doing so, Mr. Latimore commented that the City Council's ability to act when necessary has been slowed down. It is the majority's opinion that not only does this situation create a cumbersome procedure for necessary and prompt decisionmaking, it also creates a situation where the actual expertise insofar as studied knowledge of Airport problems and operations is entrusted to a body whose recommendations and suggestions may, or may not, be adopted by the City Council. It is more desirable, in the majority's opinion, that there be one body in the form of an Airport Authority with direct supervisory responsibility for Airport problems and oversight of Airport operations.

d. Continuity

It is the opinion of the majority that aside from the problem of the bad contract made with United Airlines concerning landing fees, many of the problems and inadequacies now facing the Airport could have been minimized by selection and retention of qualified governing personnel. Although, it is arguable as to how much of a factor the lack of continuity has been in the past, certainly there can be little argument with the general proposition that a complex Airport operation would be better run by a body of appointed individuals who could serve on a staggered basis for certain terms uninterrupted by recurring elections. As it is now, a Councilman who takes the time to become an "expert" in Airport matters, and does a good job in that capacity, may nevertheless be turned out of an office by an electorate which is not pleased with his performance in other areas of City government. Consequently, it would seem beneficial to have an Airport Authority whose members could acquire expertise and who could continue serving for as long as they are doing a good job, or for as long as their appointed or elected terms permit.

3. Airport Facilities and Services

a. Service Area

It is noted in the preliminary findings of the Legislature, as reflected in A.B. 498, that the Reno Airport is now serving the inhabitants of a large geographical area and ever-increasing number of tourists. In fact, the Airport not only serves all of Washoe County, but serves many communities in Northern Nevada and California for which there is no other Airport of comparable size in the near vicinity. Accordingly, it seems appropriate that the governing body for the Airport be more truly representative of the geographical and political areas served. An Airport Authority, with members appointed by the governing bodies of the Cities of Reno and Sparks and Washoe County would tend to have greater input from all local area citizens utilizing the Airport, and would tend to be more responsive to their needs.

In addition, it must be recognized that the Washoe County area is one of the fastest growing areas in

the nation, and that the demands placed upon the Airport and the needs commensurate with such growth, in terms not only of resident population, but tourist traffic as well, will have to be met by an increasingly competent Airport administration. The Airport Manager, Mr. Mandeville, testified that this year the Reno Airport will handle over one million passengers. Even at that, there was testimony from Mr. Judd Allen of the Reno Chamber of Commerce, that Reno is only receiving 4% of its tourists by air, as compared to some 35% of tourists arriving in Las Vegas by air. It is evident from this information that, with development of the new MGM Hotel, anticipated construction of a hotel by Hilton, anticipated development of the Disney project at Independence Lake near Truckee, and generally anticipated growth and development of other tourist resources in the Reno-Lake Tahoe Area, only "the tip of the iceberg" has been experienced by the Reno Airport in its current passenger operations. During the next ten years, tremendous progress at the Airport is going to have to be made in order to keep pace with Reno's growth and tourist economy.

It is the considered opinion of the majority that an Airport Authority is much better constituted to deal with the anticipated population growth and commensurate development of the Airport which will be necessary to handle service for such growth.

b. Facilities

The majority was very appreciative of the presentations made at the January 14, 1976, meeting by various members of the local business and industrial community whose spokesman, Mike Vernon, Vice President of Sea & Ski Corporation, indicated that the industrial community had conducted a thirty-member poll of local businessmen and manufacturers which revealed serious inadequacies in the facilities at the Reno Airport from the standpoint of those individuals who are most heavily dependent upon air travel and air service in their day-to-day business. Among other matters, Mr. Vernon listed the following:

- (1) Baggage delivery is the "sloppiest" and slowest of any airport in the country.
- (2) Passengers face long waiting lines for security, ticket counters and other services which takes

up valuable business time, both in arriving and departing from the Airport on a regular basis.

- (3) There is an outright lack of any air freight cargo service at the Reno Airport. Local businessmen and industrialists are forced to truck their products to San Francisco and air-ship their products from there if they wish to use air freight. Mr. Vernon testified that the airlines have placed the "burden of proof" on local industrial users to justify the need for air freight service. Although the industrial users have argued their case, the airlines have still not cooperated, nor has the City Council assisted the local business and industrial community by taking positive steps to help institute such service.
- (4) Inadequate air passenger service, in terms of flight scheduling, which, because of poor scheduling presently existing, often causes a businessman to lose an entire day where early morning flights are not available.
- (5) Inadequate public transportation service from the standpoint of the 25-cent taxi charge collected by taxi companies from all passengers before they can get out the Airport gate. Although seemingly a small matter, the taxi charge was repeatedly mentioned by not only Mr. Vernon, but many other witnesses who regularly use the Airport and rely upon taxicab service.

Taken together, Mr. Vernon indicated that the listed inadequacies give a very bad impression of Reno to arriving businessmen, as well as tourists, and this should not be the case in a community which is trying to promote both business and tourism. In conclusion, Mr. Vernon testified that, in his opinion, while he could not say with any great degree of assurance that an Airport Authority could solve all the problems of the Airport, he did feel that an Authority might be more responsive to the problems outlined in terms of greater attention to Airport needs and a more professional approach to the Airport's operation.

In addition to Mr. Vernon, the Committee heard from a number of other witnesses at the January 14, 1976,

meeting who generally supported the idea that, whatever form of government is ultimately chosen to run the Airport, the Airport should have an "affirmative action" program to actively promote better passenger and freight services. In regard to the latter, it was estimated that the airlines are loosing approximately \$5,000,000 a year in revenues by not providing this service now to the local business and industrial community. Obviously, if this estimate is accurate, the Airport itself is losing a great deal of revenue from additional landing fees and other charges connected with establishment of such services.

In the opinion of the majority, development of a first class Airport to serve the Washoe County area is an essential ingredient to growth and prosperity of the local economy. Business and tourist passengers alike are heavily influenced by the first impression they receive in terms of facilities and services greeting them upon arrival at the Reno International Airport. The Airport should be a showcase of both its facilities and services, and it is the majority's opinion that such a goal can be best achieved by the formation of an Airport Authority to govern Airport operations in the future.

c. Charter Flights

Testimony was received by the Committee indicating that the Reno Airport is probably loosing a significant amount of business- and flight-generated revenues associated with charter flights. Apparently, the City has done little to encourage such flights, despite their increasing popularity among the traveling public. The majority is of the opinion that an Airport Authority would be more likely to actively solicit development of charter flights and thereby generate additional landing fee revenues for self-sustaining Airport operation.

d. Fixed Base Operators

Testimony was heard by the Committee indicative that facilities for and location of fixed base operators were not as good as they might be. Moreover, there was testimony indicating that perhaps the City is not getting the benefits it should in terms of revenues

from such operators. It is the opinion of the majority that the facilities for, and the location of, fixed base operators is an important integral part of overall Airport operations. General aviation facilities, especially, should be improved by construction of additional hanger space for leasing purposes. In addition, consideration should be given to locating general aviation facilities and air freight facilities on the east side of the Airport. The majority believes that an Airport Authority could best carry out objectives compatible with optimum development of fixed base operator facilities and services at the Reno Airport.

e. Safety

The most valuable testimony which the Committee heard in regard to safety was that offered by Colonel LaGrange, Commander of the Nevada Air National Guard. At the meeting of April 14, 1976, Colonel LaGrange outlined the following suggestions for improvement of safety at the Reno Airport:

- (1) Avigation easements for the north-south runway (suggested as far back as 1954).
- (2) A ground control radar system (Reno now only has an instrument landing system).
- (3) Construction of an additional north-south runway for general aviation to be located east of the present runway. The "dual operation" concept would benefit not only commercial air traffic, but general aviation as well from the standpoint of runway congestion and safety.

The majority is of the opinion that completion of the foregoing safety improvements is long overdue, and that an Airport Authority would have been more likely to have completed such improvements in the past, and will be more likely to complete such improvements in the future.

f. Future Outlook

At the February 11, 1976, meeting of the Study Committee, Airport Manager Bob Mandeville testified that the Airport will require a minimum of over \$20,000,000 over the next ten years for needed

Airport improvements. The City apparently has planned to undertake these improvements in three phases, the first involving terminal expansion, to begin immediately. Mr. Mandeville indicated while the federal government will provide up to 93.5% funding for runways, lighting, taxiways, navigational aids, and certain other improvements, the federal government will only pay up to 50% for terminal improvements, restricted to public access portions. He indicated that, with the changes brought about by the contract negotiations with the airlines, the Airport should be able to pay for itself in the years ahead. He further indicated that the local governments in Washoe County were now at the \$5 constitutional tax limit and that his estimate would be that an Authority would take an additional 50 cents to operate. In looking toward the future, Mr. Mandeville made an interesting comparison between Reno and Shreveport, Louisiana, the former Airport which he managed, indicating that Reno now has only four passenger gates, with no second level loading, whereas Shreveport has fourteen gates and second level loading, although it only serves half the number of passengers, approximately 400,000, that Reno serves.

#### D. CONCLUSION

In conclusion, it is the opinion of the majority that, while the City of Reno has made significant improvement over the past year and one-half with regard to putting the Airport in the black and hiring new management personnel to look after the Airport's administration, the improvements made do not necessarily insure continued long-range operation of the Airport in the overall best interest of the public sufficient to meet the optimum user demands of a regional facility serving an ever-increasing number of local residents, tourists, and a dynamic business community. The majority is of the opinion that future demands and growth associated with the Airport can best be met by an Airport Authority that can specialize in handling complex problems of Airport operations.

It is the considered judgment of the majority that any disadvantages associated with the formation of an Airport Authority are far outweighed by the advantages in establishing such an Authority. The often-cited, and possible major disadvantage of an Airport Authority, is the supposed lack of public accountability of an Authority to the taxpayers. Any objection in this regard, however, would be eliminated by the

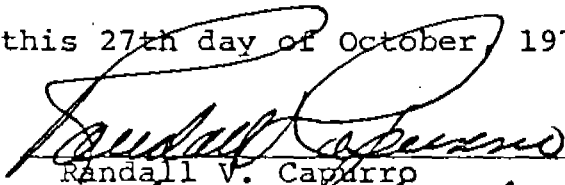
recommendation made by the majority that the Airport Authority members be appointed and subject to removal by the affected local governmental entities. Moreover, any such objection would certainly be eliminated if, in the alternative, it was provided that Authority members be elected.


The majority believes that the case for an Airport Authority is very aptly summarized in the editorial appearing in the Reno Evening Gazette on April 7, 1975, wherein it was stated, in response to the many possible objections which might be raised on transferring the Airport from the City to an Airport Authority, as follows:

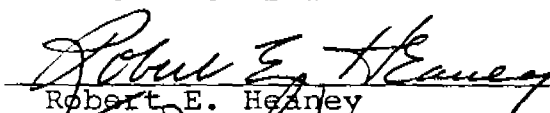
The important issue here is not reimbursement, or the wounded vanity of the City, the important issue is the future of the Airport. That future would best be handled by an independent, nonpolitical authority.


It is the recommendation of the majority that the Legislative Counsel Bureau be directed to prepare legislation consistent with the findings, discussion, and conclusion contained herein, and that such legislation be adopted by the 1977 Legislature as being in the best interest of the people of Washoe County insofar as providing the most effective administrative machinery to insure adequate air service to Washoe County and the surrounding area in the years ahead.

Respectfully submitted this 27th day of October, 1976.

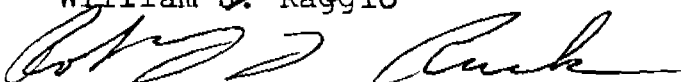
  
Randall V. Capurro

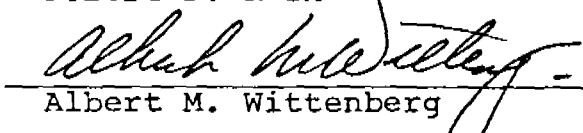
  
Gerald G. Grow

  
Robert E. Heaney

  
E. T. Hermann

  
William J. Raggio

  
Robert F. Rusk

  
Albert M. Wittenberg



SUMMARY OF MEETINGS

<u>Dates</u>	<u>Purpose</u>
9/24/75	Review goals and objectives of Committee as directed by AB 498, 1975 Nevada Statutes.
10/22/75	Testimony from members of Airport Advisory Committee.
11/19/76	Testimony from Lowell Bernard (audit report of Reno Airport, 1975) and Russ McDonald (finances and bonding procedure).
1/14/76	Testimony from business and industrial users.
2/11/76	Testimony from Steve Gomes of Airways Engineering Corp. (pros and cons of Airport Authorities) and Robert Mandeville, Airport Manager (current and projected operations).
3/10/76	Committee discussion of questionnaire survey conducted by Legislative Counsel Bureau.
4/14/76	Testimony from Colonel Jack LaGrange (Nevada Air National Guard), various fixed base operators and Reno City Manager, Robert Oldland.
5/12/76	Informal Committee discussion with community leaders.
5/28/76	One-day tour of airports at Albuquerque, Phoenix, Seattle-Tacoma and Boise.
6/16/76	Committee discussion of format for report, current developments in contract negotiations between City and airlines, agreement to begin formulation of opinions.
7/14/76	Committee discussion regarding current contract negotiations, direction of Committee, agreement for Committee members to prepare written outline of opinions as to why or why not Committee should recommend an Airport Authority to Legislature.
9/29/76	Committee discussion on question whether to recommend an Authority, vote of Committee.
10/27/76	Submission of majority and minority reports.

## APPENDIX A

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WASHOE COUNTY AIRPORT STUDY COMMITTEE

Minority Report

October 27, 1976

An Airport Authority, a special governmental corporation should not be formed to operate Reno International and Reno/Stead Airports in Washoe County. This is the finding of a minority of six of the thirteen member Washoe County Airport Study Committee.

The task given to the Washoe County Airport Study Committee is found in Section Five, Assembly Bill #498 as follows:

Section Five. The Committee shall:

1. Conduct a study to determine:
  - (a) Whether a special governmental corporation should be formed to provide adequate air services to Washoe County.
  - (b) What measures, if any, should be taken to provide:
    - (1) Sufficient funding, and to establish the administrative machinery necessary to insure adequate air service to Washoe County and the surrounding areas.
    - (2) Safe and convenient air travel and transport to and from the Reno area.
2. Report the results of such study to the 59th session of the Legislature, together with recommendations for any necessary and appropriate legislation.

Thirteen meetings were held, beginning September 24, 1975, over the following fourteen months. Meetings dates and locations were well publicized on T.V. and in the press, with a press release or press coverage following each meeting, in an effort to encourage public involvement and comment. Despite such publicity, attendance by members of the general public was lacking. The Committee specifically invited representatives of fixed base operators, National Guard, Chamber of Commerce, the gaming industry, warehousing and manufacturing (interested in air freight service), former City Manager Joe Latimore, the Reno City Manager and the Reno Airport Director.

It is a point of interest to note that although every means was used to attract involvement of the Airport users and the local citizens discussing possibility of an Airport Authority, there was an evident lack of interest in the proposal on the part of the general public.

At no time did the Committee seek the opinions from the City Councils of Reno and Sparks or the Commission members from Washoe County with regard to the pros and cons of an Airport Authority. Without exception airport authorities have been developed by two or more cooperating entities in order to resolve a burdensome or inequitable or malfunctioning operation.

In determining whether a special governmental corporation should be formed to provide adequate air services to Washoe County, it is necessary to establish a set of criteria which either tend to favor or oppose formation of an Airport Authority to operate the two Reno airports. It has been pointed out in testimony before the Washoe County Airport Study Committee, that there are advantages and disadvantages to either of these operational structures.

## AIRPORT AUTHORITIES

### ADVANTAGES:

- are created to overcome debt limits of municipal-jurisdiction in selling revenue and general obligation bonds
- often possess more freedom of action than is granted to city airport administrators
- provide greater continuity of policy if or when partisan politics of a city cause disruptive turnover of airport management
- are useful in administering an airport which serves a multi-jurisdictional area, resolving the conflict of jurisdictional problems
- can operate more like a business, exploiting profit possibilities in ways cities usually do not

### DISADVANTAGES:

- have no direct responsibility to local government and may be beyond effective public control (usually the members are appointed by the Governor)
- pose the risk of placing broad powers in hands of a few; if mismanagement occurs, generally members can only be removed on grounds of malfeasance, not honest incompetence, in a long legal or legislative procedure.
- represents a decentralization of government, necessarily replicating police, fire, legal, housekeeping, fiscal functions, etc. which exist in a city government
- cannot set landing fees by ordinance (which municipalities can do) in the event agreements with airlines cannot be reached.

An Airport Authority could not be expected to have taxing powers, because one of the reasons for proposing such a governmental structure should be to relieve the taxpayers of the fiscal burden of the Reno airport, to put it on a paying basis. An Airport Authority would necessarily assume a refinance of the City of Reno's general obligation bonds for the airport function.

If an Airport Authority were formed, it would be legally bound to assume contracts and agreements now binding on the City of Reno.

Such an Airport Authority would necessarily take over the very difficult task of land acquisition and population relocation of those designated (Airport Master Plan) "take" areas adjacent to Reno International Airport. This type of Federal program is complex and very lengthy.

In the past two years since the introduction of the Airport Authority legislation in the 1975 session of the state Legislature, a number of improvements and developments have occurred.

### Landing Fee Agreement - Scheduled Carriers

The City Council recently adopted new landing fee agreements between the City of Reno and the three carriers serving Reno International Airport. The agreements are currently being executed by the respective airlines and the last of the signed documents is expected to arrive back in the near future.

The new landing fee agreements represent an entirely different approach from the old agreement in the manner in which landing fees are established. Of major importance is the fact that the new rates are adjusted annually in accordance with actual airport expense, rather than a fixed rate for 25 years. As a result, the landing fee rate will be increased from 6½¢ per one thousand pounds to 27.9¢ per one thousand pounds, and is retroactive to July 1, 1975. The City will receive the reimbursement of \$294,910.99. In other words, for the period July 1, 1975 to June 30, 1976 Airport revenues will be increased approximately \$295,000 from just the landing fee rate source.

### Landing Fee - Chartered And Non-Scheduled Carriers

At the request of airport manager and on the recommendation of the Airports Advisory Commission, in the spring of 1976 the Reno City Council adopted a new City Ordinance which established landing fees for all commercial carriers, other than the scheduled carriers that have written agreements with the City, which operate aircraft exceeding 12,500 M.G.L.W. As a result of the new landing fee ordinance more than \$5,000 per year income is anticipated for the period 1976-77. Heretofore, fees for charters for supplemental carriers have never been established.

### Airport Accountant Position

In response to an administration recommendation, the Reno City Council established a new position at the Airport titled, Airport Accountant. The position was filled in March of 1976. As a result of the new position the Department of Airports is now able to conduct financial audits of airport tenants. It is anticipated that airport tenants will be audited at least once each year. During the first seven months of this position, audits revealed more than \$100,000 back due and owing rentals.

The Airport Accountant position is no doubt one of the most important positions at the airport because it provides the Department of Airports with the ability to perform reoccurring audits on a timely basis in order to prevent misunderstanding or errors that might occur in the system.

### Airport Month-To-Month Leases

In response to a new policy established by the Reno City Council the Department of Airports no longer enters into month-to-month agreements with airport tenants. The staff is in the process of converting existing month-to-month leases into longer terms. In this process, several month-to-month agreements have been converted to one to three year agreements with respective upward adjustments of rental rates.

### Safe Air Travel

The City of Reno's new crash/fire/rescue station is rated one of the best in the nation and contains the latest innovations for airport safety, including \$300,000 of rolling stock equipment. This facility meets major airport specifications, found in large hub airports.

Reno International has a fine air carrier safety record, an accomplishment sometimes too lightly regarded. Mr. John Sodek, Airport Certification Inspector from FAA district office in San Francisco, stated that since spring of 1974, the Reno airport has upgraded its facilities, equipment, and training to the extent that it rated "right along with the top airports in the country." During his last visit to Reno in August of 1976 he found "nothing to fault the Reno operation."

The Federal Aviation Administration is expending \$200,000 to construct a new Airport Surveillance Radar System to replace the existing surveillance radar system at Reno International. The ASR-8 facility will provide the same basic function as is now provided by the ASR-3, except that it will consist of a more modern, updated equipment detecting aircraft to a range of 60 nautical miles and 40,000 feet. The ASR-8 system is the finest of its kind.

### \$180,000 Master Plan

The City of Reno funded one third of the cost of the \$180,000 Master Plan developed by Arnold Thompson & Associates, Inc. which was completed in April of 1976. The plan delineates necessary steps to be taken in order to accomodate the increase of approximately 1.1 million total passengers in 1974 to 4.8 million by 1995 through the Reno airport system. The first stage of terminal expansion is scheduled for 1977 and 1978. As of this date interviews have just been completed with airport consultants in the process of selecting a consulting firm to carry out the terminal expansion program. Twenty-four capital projects in addition to the terminal expansion include land acquisition, taxiway development, runway overlays, automobile parking development, T hanger development, etc.

### Reno Airport Land Acquisition Project

Based upon the recommendations contained in the Master Plan the City of Reno has completed an Environmental Impact Report on the land acquisition project to the south of the airport. The land acquisition area has been delineated and an agreement with the Federal Aviation Administration has been signed by the City of Reno, which initiates the complicated procedure for land acquisition and relocation of 24 area residents at an estimated cost of 1.4 million dollars.

### Enterprise Fund Accounting System

The City of Reno converted the accounting system from a revenue fund basis to an Enterprise Fund basis for Reno International and Reno/Stead Airports. The Enterprise Fund established an "accounts

receivable" for the aforementioned \$294,901.99 due from airlines for landing fees (per agreement during airline negotiations recently completed).

The City of Reno is making maximum use of Federal financing assistance through the Airport Development Aid Program (ADAP). The City Council recently applied for, and received a grant totaling more than 1.3 million, which will allow the first phase land acquisition project to be implemented. The City Council has resolved that future grant applications will be an on-going policy.

#### Airport Noise Suit

The City of Reno is currently under law suit brought by 27 property owners in the Home Gardens area south of Reno International Airport. Any airport owner/operator is subject to such suits whether it be county, city, Airport Authority or whatever. According to the proposed airline agreement which is soon to be finalized, the cost of such law suits would be built into the airline's landing fees.

The City of Reno has representatives which sit on the Joint Airport Zoning Board. Board membership includes elected officials from Reno, Sparks, and Washoe County and is shared by a non-elected official representing neutrality and the public. The Joint Airport Zoning Board is working to reduce conflicting land uses within the airport influence area. It has the power to adopt, administer and enforce airport zoning regulations.

#### Testimony Received By Committee

Critical comments and suggestions received by the Committee did not relate to whether or not an Airport Authority structure could have or would in the future resolve objections any better than the City operation of the airport. Most of the criticism centered around the airport terminal:

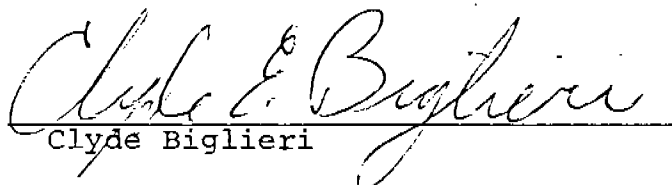
- 1) Airport terminal crowded and poorly layed out, partly caused by the need to accomodate Security Check requirements in recent years.
- 2) Inefficient baggage handling facilities.
- 3) Food service area too small.
- 4) Inadequate space for lines at the ticket counters.
- 5) Air freight.

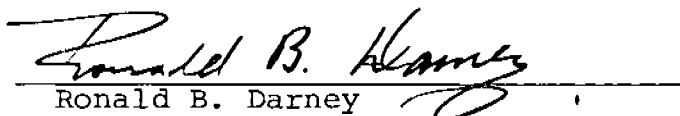
Of major concern was the fact that the airport has been losing money due to low landing fees contained in a 25 year contract and that Reno taxpayers have been supplying the deficit funds on the airport function. With the final signing of the new airline contracts these problems will be resolved.

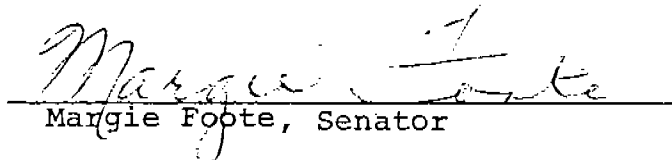
Another important area of criticism were complaints of inadequate air service to the Reno area and a lack on the part of the City to engage in promotion of the Airport. Promoting more and better air service into any city is an on-going task that must be pursued with vigor. The City of Reno has increased its efforts of that promotion. Attached to this report you will find resolutions indicating some of Reno's past efforts in this direction.

The City administration readily recognizes the need for terminal expansion and improvement, and is eager to get started on this project. Knowing the importance of first and last impressions, the City of Reno is intent on remaking Reno International into a first class airport facility, one that people find pleasurable coming into and departing from.

We the undersigned believe that there is not sufficient evidence to justify the development of an Airport Authority for Reno International and Reno-Stead Airports.


  
Clyde Biglieri

  
Ronald B. Darney

  
Margie Foote, Senator

  
Elwyn Freemonth

  
Edwin F. Hastings

  
Pat Hardy Lewis



609.140, 609.150, 609.160, 609.170, 609.180 and 609.280 are hereby repealed.

SEC. 18. This act shall become effective upon passage and approval.

Assembly Bill No. 498—Washoe County Delegation

CHAPTER 742

AN ACT creating the Washoe County Airport Study Committee; directing such committee to conduct a study to determine whether a special governmental corporation should be formed to provide adequate air service to Washoe County; and providing other matters properly relating thereto.

[Approved May 27, 1975]

*The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:*

SECTION 1. The legislature finds that:

1. The airport of the City of Reno has traditionally been operated by the city as a municipal function and originally served primarily the city residents.

2. With the development of multiple contiguous communities, suburban living and rapid increases in recreational pursuits by the traveling public, the airport of the City of Reno is now serving the inhabitants of a large geographical area and ever-increasing numbers of tourists.

3. What was once a municipal airport in both name and fact is now a regional airport.

4. The financial problems of the airport have become more complex and administrative activities are required to be more responsive to the community at large and the directly paying airport tenants and users.

SEC. 2. There is hereby established the Washoe County Airport Study Committee composed of 13 members as follows:

1. The City of Reno shall be represented on the committee by two members, the City of Sparks by one member and Washoe County by two members, appointed as specified in this subsection. Within 30 days after July 1, 1975, the city councils of the cities of Reno and Sparks and the board of county commissioners of Washoe County shall appoint their representatives to serve on the committee.

2. The city councils of the City of Reno and the board of county commissioners of Washoe County shall each appoint two members of the general public not associated with the airport.

3. The legislative commission shall appoint two members from the assembly and two members from the senate.

SEC. 3. The four legislative members shall designate one of their number to serve as chairman of the committee.

SEC. 4. The board of county commissioners of Washoe County, and the city councils of the cities of Reno and Sparks shall provide funds, supplies and technical assistance necessary for the committee to conduct its study and prepare a report based thereon.

SEC. 5. The committee shall:

1. Conduct a study to determine:

(a) Whether a special governmental corporation should be formed to provide adequate air service to Washoe County.

(b) What measures, if any, should be taken to provide:

(1) Sufficient funding and to establish the administrative machinery necessary to insure adequate air service to Washoe County and the surrounding areas.

(2) Safe and convenient air travel and transport to and from the Reno area.

2. Report the results of such study to the 59th session of the legislature, together with recommendations for any necessary and appropriate legislation.

Senate Bill No. 151—Senator Bryan

CHAPTER 743

AN ACT making an appropriation to the state department of education for the purpose of nonrecurring capital outlays, lease or purchase of school buses, acquisition of library books, minor construction projects and other necessary items by recipient school district.

[Approved May 27, 1975]

*The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:*

SECTION 1. 1. There is hereby appropriated from the general fund in the state treasury to the state department of education the sum of \$1,000,000.

2. The funds appropriated by subsection 1 shall be:

(a) Distributed by the state department of education to the county school districts on the basis of the ratio that each county school district's 1974-75 enrollment bears to the total statewide 1974-75 enrollment; and

(b) Expended by the recipient school district for nonrecurring capital outlays, lease or purchase of school buses, acquisition of library books, minor construction projects and other necessary items.

3. After June 30, 1976, any unexpended balance of the appropriation made by subsection 1 shall not be encumbered or committed for expenditure and shall revert to the general fund in the state treasury.

SEC. 2. This act shall become effective upon passage and approval.

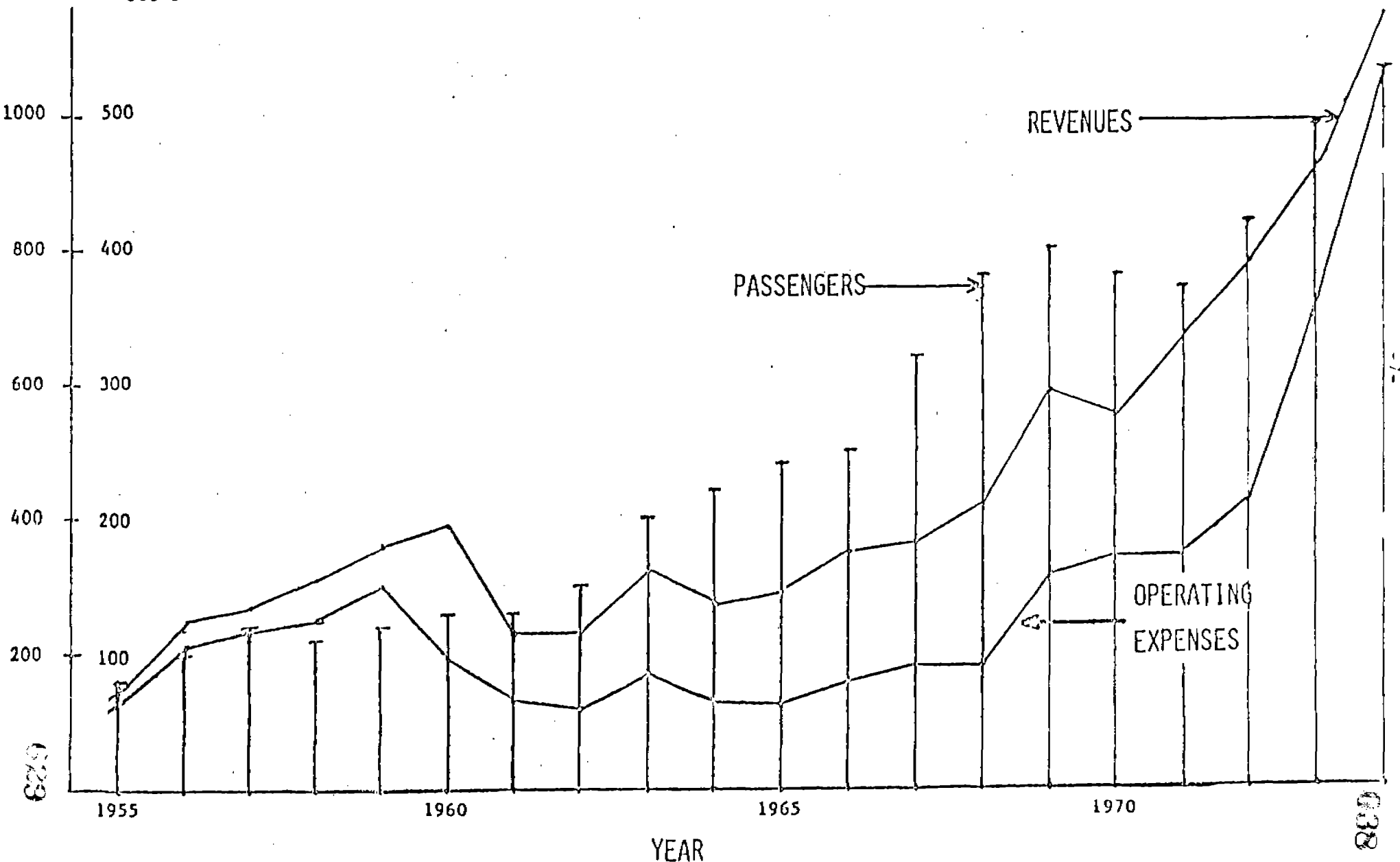
## EXHIBIT "B"

KAFOURY ARMSTRONG TURNER REPORT  
for 1975 LEGISLATIVE COMMITTEE

# CITY OF RENO AIRPORT

REVENUES, PASSENGERS, & OPERATING EXPENSES  
(Not Including Depreciation  
and Debt Service )

DOLLARS  
000's PASSENGERS  
000's



RENO INTERNATIONAL AIRPORT  
ENPLANING PASSENGERS  
1955 THROUGH 1974

	UNITED	WESTERN	AIR WEST AND PREDECESSOR AIRLINES	OTHER	TOTAL
1955	83,364	-	468	-	83,832
1956	86,256	7,785	8,161	-	102,202
1957	90,007	8,743	8,637	-	117,387
1958	95,540	8,226	8,587	-	112,353
1959	103,325	9,623	12,093	-	125,041
1960	107,537	8,967	14,160	-	130,664
1961	103,698	7,058	15,218	-	125,974
1962	107,148	14,870	23,534	-	145,552
1963	129,371	21,438	46,259	-	197,068
1964	146,602	24,422	49,434	-	220,458
1965	173,218	23,283	45,673	-	242,174
1966	171,256	25,358	52,968	544	250,126
1967	238,251	25,336	55,515	-	319,102
1968	293,041	29,254	57,674	25	379,994
1969	303,681	31,699	63,465	1,029	399,874
1970	262,637	51,097	64,535	368	378,637
1971	222,028	84,108	64,340	-	370,476
1972	257,009	98,159	62,214	-	417,382
1973	298,471	110,726	83,388	-	492,585
1974*	340,043	97,313	88,487	-	525,843

\* 1974 was the first year that the City of Reno Airport was a  
"Medium Hub" Airport (500,000 to 2 Million enplaning passengers).

CITY OF RENO - AIRPORT FUND  
RECAP OF REVENUES  
1954-1974

	<u>GAS AND OIL SALES</u>	<u>CONTRACT AND LEASE RENTALS</u>	<u>LANDING FEES</u>	<u>VENDING MACHINES</u>	<u>GASOLINE TAX REFUNDS</u>	<u>ELECTRICAL ENERGY REFUNDS</u>	<u>MISCELLANEOUS</u>	<u>PARKING RECEIPTS</u>	<u>FUEL FLOWAGE FEES</u>
1954	\$ 44,506	\$ 8,920	\$ 6,315	\$ 11,777	\$ -	\$ -	\$ 3,639	\$ -	\$ -
1955	96,607	19,361	13,709	25,562	-	-	4,473	-	-
1956	150,647	30,191	21,377	39,863	-	-	6,976	-	-
1957	162,938	32,287	17,361	44,251	-	-	10,787	-	-
1958	191,900	42,960	22,843	42,275	-	-	13,218	-	-
1959	225,918	47,704	30,198	43,106	-	-	17,066	-	-
1960	81,754	151,477	30,657	13,654	-	-	13,387	-	-
1961	-	169,446	46,293	3,058	16,659	-	1,659	-	-
1962	-	168,724	41,664	2,993	13,718	6,538	1,418	-	-
1963	-	183,218	47,664	3,817	13,594	6,142	1,450	-	-
1964	-	197,279	45,357	4,390	21,977	7,284	1,250	-	-
1965	-	204,794	47,134	4,967	21,446	7,858	4,961	-	-
1966	-	253,433	58,078	5,425	21,097	7,386	1,752	-	-
1967	-	245,943	73,128	5,664	25,101	8,143	1,891	-	-
1968	-	269,663	80,737	7,163	41,727	10,631	1,591	-	-
1969	-	431,971	85,378	9,080	48,336	11,682	6,671	-	-
1970	-	410,884	92,255	9,163	46,866	11,854	9,487	-	-
1971	-	531,956	83,535	9,369	28,506	12,135	2,394	-	-
1972	-	627,429	82,185	7,348	34,089	13,193	6,764	108,878	35,718
1973	-	636,561	96,124	8,736	21,097	14,244	4,627	177,498	75,583
1974	-	807,469	96,285	13,109	28,619	16,071	7,823	-	-

\* In the years 1954 through 1960, the City of Reno operated the Slot Machines in the terminal and sold gas and oil. Subsequent to 1960, concessionaires operated both the slot machines and the gas and oil sales.

CITY OF RENO - AIRPORT FUND  
RECAP OF EXPENSES  
1954-1974

	<u>SALARIES</u>	<u>SERVICES AND SUPPLIES</u>
1954	\$ 9,354	\$ 60,841
1955	21,806	115,716
1956	34,573	179,218
1957	40,220	194,345
1958	48,727	210,114
1959	50,333	245,051
1960	53,439	141,567
1961	56,081	74,460
1962	54,048	64,474
1963	54,673	91,553
1964	54,487	72,090
1965	56,668	70,835
1966	61,165	77,891
1967	68,610	108,818
1968	73,788	91,698
1969	167,434	144,913
1970	179,510	163,166
1971	175,624	166,376
1972	201,300	214,524
1973	226,580	498,302
1974	321,742	741,880

\* In the years 1954 through 1960, the City of Reno operated the Slot Machines in the terminal and sold gas and oil. Subsequent to 1960, concessionaires operated both the slot machines and the gas and oil sales. Services and supplies for those years (1954 through 1960) include gas and oil purchases.

RENO AIRPORT

COMPARISON TO AIRPORTS OF SIMILAR SIZE

The Airport Operators Council International collects data on airports throughout the United States.

Airports are categorized according to the number of passengers enplaned per year. The Civil Aeronautic Board classifications are:

	<u># of Passengers</u>
Non Hub	Below 100,000
Small Hub	100,000 to 500,000
Medium Hub	500,000 to 2 million
Large Hub	Over 2 million

The Reno Airport has only recently moved from the small hub to medium hub category.

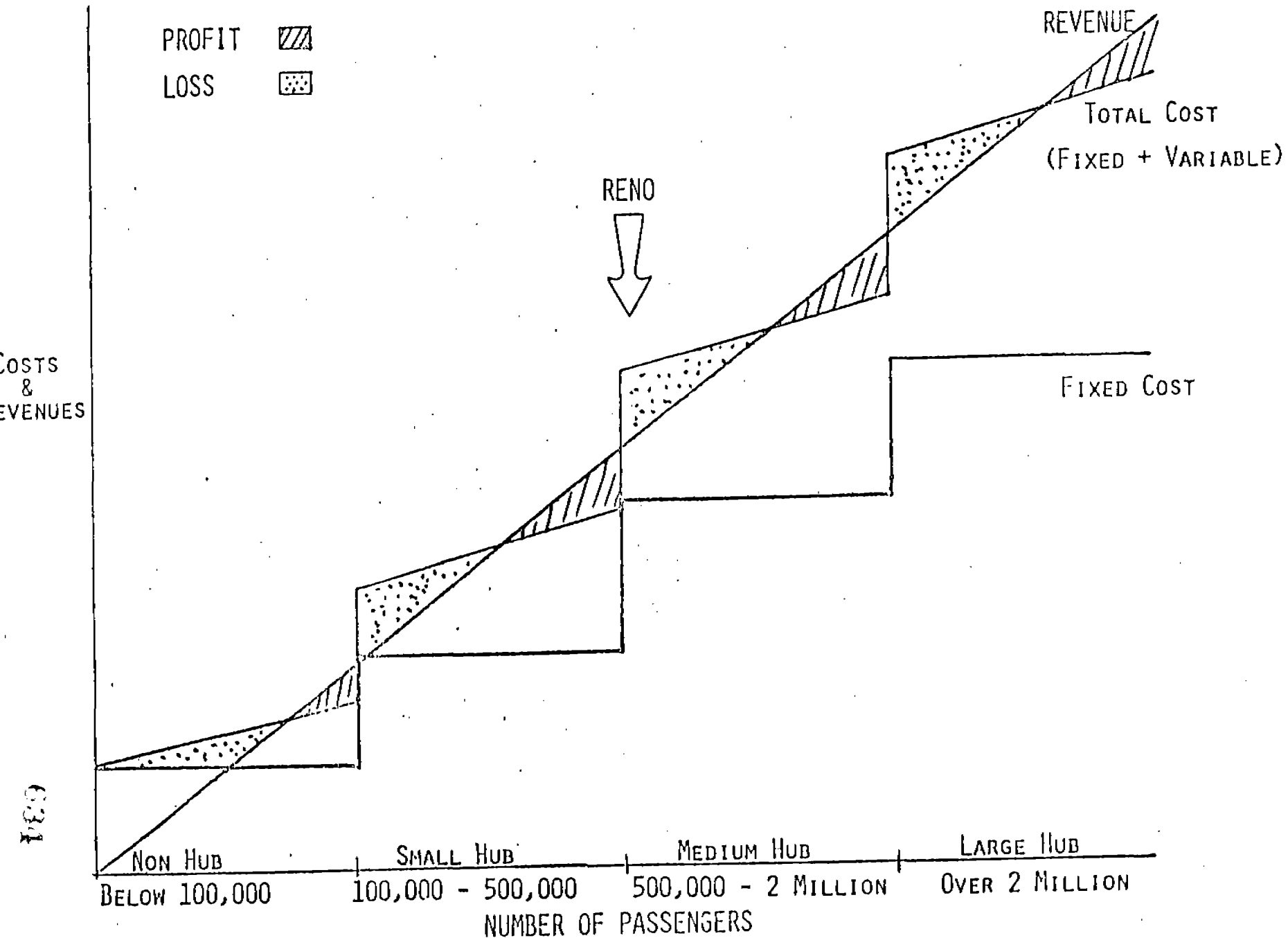
Because of the large amount of fixed expenses involved in an airport operation, only a small proportion of the medium hub airports operate at a profit.

Non Hub - very few profitable airports  
Small Hub - airports can meet current debt from profits but not enough to finance growth  
Medium Hub - airports can meet current debt from profits and with proper management can finance growth, particularly with the assistance of Federal Airport Aid programs  
Large Hub - Profitable and able to finance continued growth

The lack of profit in the Reno airport is not a result of inefficient operations, but rather is part of a larger problem of the cost structure of airport operations together with binding long-term contracts which operate to the detriment of the airport. These contracts are now being renegotiated.

The following chart pictures the general nature of the relationships between fixed costs for different sized airports and their revenues.

# AIRPORT PROFIT





OTHER REGIONAL AIRPORTS SIMILAR TO  
THE RENO AIRPORT

<u>Location</u>	<u>Operating Authority</u>
Seattle	Port of Seattle Authority
Portland	Port of Portland
Spokane	City/County of Spokane
Sacramento	County of Sacramento
San Francisco	City of San Francisco
San Jose	City of San Jose
Los Angeles	City of Los Angeles
Orange County	Orange County
Ontario	City of Los Angeles
San Diego	City of San Diego
Las Vegas	Clark County
Salt Lake	City of Salt Lake
Denver	City and County of Denver
Phoenix	City of Phoenix
Eugene	Lane County
Albuquerque	City of Albuquerque
Reno	City of Reno

It should be noted that:

- 9 of 17 are operated by the City
- 4 of 17 are operated by the County
- 2 of 17 are operated by Citys and County cooperatively
- 2 of 17 are operated by Authorities

RENO INTERNATIONAL AIRPORT  
BALANCE SHEET AS COMPARED  
TO PROFILE OF AIRPORTS WITH 250M TO 500M  
ENPLANING PASSENGERS PER YEAR

ASSETS

	RENO INTERNATIONAL AIRPORT	PROFILE*OF AIRPORT 250,000 TO 500,000 ENPLANING PASSENGERS
OPERATING ASSETS	<u>\$ 1,862,271</u>	<u>\$ 945,724</u>
LONG-TERM DEBT		
Retirement assets	<u>1,000,000</u>	<u>1,234,503</u>
OPERATING PLANT		
Land	2,741,531	904,649
Land improvements	7,659,074	5,217,964
Buildings and equipment	<u>1,416,703</u>	<u>3,997,770</u>
Total Operating Plant	<u>11,817,308</u>	<u>10,120,383</u>
Less: Accumulated depreciation	<u>3,206,053</u>	<u>1,445,813</u>
	8,611,255	8,674,570
CONSTRUCTION IN PROGRESS	<u>201,536</u>	<u>66,544</u>
	<u>8,812,791</u>	<u>8,741,114</u>
Total Assets	<u>\$11,675,062</u>	<u>\$10,921,331</u>

\*Profile Source:

Airport Operators Council, International 1972 AOCI Uniform Airport  
Financial Report.

## LIABILITIES, CONTRIBUTION AND EQUITY

	RENO INTERNATIONAL AIRPORT	PROFILE*OF AIRPORT 250,000 TO 500,000 ENPLANING PASSENGERS
OPERATING LIABILITIES	\$ 692,111	\$ 1,205,884
LONG-TERM DEBT	2,931,000	-
DEFERRED INCOME	157,219	-
CONTRIBUTION FROM FEDERAL GOVERNMENT	6,708,079	2,279,887
Less: Accumulated depreciation	1,984,397	401,798
	4,723,682	1,878,089
EQUITY		
Equity arising from operations	(1,031,104)	2,124,745
Equity arising from contribution from governmental unit	4,202,154	5,712,613
Total Liabilities, Contribution and Equity	<u>\$11,675,062</u>	<u>\$10,921,331</u>

\*Profile Source:

Airport Operators Council, International 1972 AOCI Uniform Airport  
Financial Report.

## EXHIBIT "C"

CITY OF RENO

AUDITORS REPORT - JUNE 30, 1976

CHANCELLOR BARBRERI and DEWITT

CITY OF RENO  
MUNICIPAL AIRPORT FUND  
BALANCE SHEET  
JUNE 30, 1976

Assets

Current Assets

Cash and investments	\$ 956,026	
Accounts receivable	155,054	
Due from other fund	2,280	
Inventory	12,671	
Total current assets		\$ 1,126,031

Restricted Assets

Cash and investments	1,369,467	
Federal grants receivable	515,991	1,885,458

Property, Plant and Equipment, At Cost

Land	2,741,531	
Buildings	1,741,576	
Airport improvements	8,944,435	
Machinery, equipment and furniture	408,129	
	13,835,671	
Less accumulated depreciation	(4,262,340)	
	9,573,331	
Construction in progress	840,938	10,414,269
		<u>\$13,425,758</u>

Liabilities, Contributions & Retained Earnings

Current Liabilities

Accounts payable	\$ 15,086	
Accrued payroll	11,096	
Contracts payable	114,665	
Accrued bond interest payable	44,148	
General obligation bonds payable - Current portion	218,697	
Deposits	18,928	
Due to other fund	437,738	
Total current liabilities		\$ 860,358

General Obligation Bonds Payable - Due After One Year	2,517,944
---	-----------

Contributions

Federal Aviation Administration	6,231,502	
City of Reno	5,162,588	11,394,090

Retained Earnings (Deficit)

(1,346,634)
<u>\$13,425,758</u>

CITY OF RENO  
MUNICIPAL AIRPORT FUND  
STATEMENT OF OPERATIONS  
FOR THE YEAR ENDED JUNE 30, 1976

049

<u>Operating Income</u>		
Landing fees	\$ 76,140	
Parking fees	220,046	
Slot machine concession	331,249	
Service and sales concession	686,959	
Aviation gas tax refunds	30,534	
Fuel flowage fees	61,871	
Other	52,479	
Total operating income		\$1,459,278
<u>Operating Expenses</u>		
Salaries	395,015	
General services and supplies	439,199	
City provided services	712,439	
Other	29,090	
Total operating expenses		1,575,743
Net operating loss before depreciation		(116,465)
<u>Depreciation</u>		
On contribution acquired assets	367,725	
On internally acquired assets	196,070	
Total depreciation		563,795
Net operating loss		(680,260)
<u>Other Income (Expense)</u>		
Interest earned on investments	225,747	
Interest expense on general obligation bonds	(153,565)	
Total other income (expense)		72,182
Net loss for the year		\$ (608,078)

*Handwritten notes:*  
Total loss 608,078  
Total revenue 1,459,278  
Total expenses 1,575,743

CITY OF RENO  
MUNICIPAL AIRPORT FUND  
STATEMENT OF RETAINED EARNINGS  
FOR THE YEAR ENDED JUNE 30, 1976

Retained earnings (deficit), Beginning of year	\$ (1,106,281)
Net loss for the year	(608,078)
Current year's depreciation on FAA grants transferred to contributions	<u>367,725</u>
Retained earnings (deficit), End of year	<u><u>\$ (1,346,634)</u></u>

See Accompanying Notes

CITY OF RENO  
MUNICIPAL AIRPORT FUND  
STATEMENT OF CHANGES IN FINANCIAL POSITION  
FOR THE YEAR ENDED JUNE 30, 1976

Working Capital Provided

Net loss for the year	\$ (608,078)	
Add charges not requiring working capital		
Depreciation	563,795	
Working capital applied to operations	(44,283)	
Reduction of restricted assets	1,676,174	
FAA contribution	18,619	
Working capital provided		\$1,650,510

Working Capital Applied

Property, plant and equipment acquisitions	98,718	
Reduction of long-term general obligation bonds payable	218,698	
Reduction of deferred income	182,571	
Reduction of City of Reno contribution	1,300	
Classification of debt service portion of fund balance	95	
Working capital applied		501,382

Increase in Working Capital\$1,149,128Summary of Changes in Working Capital

Current assets - Increase (Decrease)		
Cash and investments	\$ 782,265	
Accounts receivable	(8,463)	
Due from other fund	2,280	
Inventory	3,596	
		\$ 779,678

## Current liabilities - (Increase) Decrease

Accounts payable	13,289	
Accrued payroll	(3,308)	
Contracts payable	832,580	
Accrued bond interest payable	1,686	
General obligation bonds payable	(24,339)	
Deposits	(12,720)	
Due to other fund	(437,738)	
		369,450

Increase in Working Capital\$1,149,128Change in Working Capital

Working capital balance - July 1, 1975	\$ (883,455)
Increase in working capital	1,149,128
Working capital balance - June 30, 1976	<u>\$ 265,673</u>



CITY OF RENO  
MUNICIPAL AIRPORT FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1976

Summary of Significant Accounting Policies

Basis of Accounting

The Municipal Airport Fund is maintained on the accrual basis whereby revenues earned but not received and expenses incurred but not paid are recognized.

The Fund is also operated on an enterprise basis. Enterprise funds are established to account for the financing of governmental units which render service on a user charge basis to the general public. Enterprise accounting permits determination of whether the activity operates at a profit or loss on a basis comparable to private enterprises.

Investments

Investments are carried at the lower of cost or market.

Accounts Receivable

Amounts receivable from customers and other sources are recorded at face value with no provision for uncollectible amounts or grant reductions. Amounts deemed uncollectible are charged to operations in the period such determination is made.

Inventory

Inventory represents materials and supplies on hand for use in operations, valued at cost, on the first-in, first-out basis.

Restricted Assets

Money or other resources, the use of which is restricted by legal or contractual requirements are classified under restricted assets.

Property, Plant and Equipment

Property, plant and equipment of the fund is recorded at cost. Depreciation is computed on the straight-line basis over estimated economically useful lives of ten to thirty years for the buildings and airport improvements and three to twenty years for machinery, equipment and furniture. Cost of normal repairs and maintenance are charged directly to operations. Expenditures which materially extend the estimated useful life are capitalized.

Contributions

The contribution accounts reflect the value of assets contributed to the fund for its unrestricted use without any liability attached. The general source of these contributions is the Federal Aviation Administration. The contribution accounts, which correspond in a general sense to capital invested by stockholders of a private corporation, are reduced annually by the related depreciation charge on assets generated by the contributions. Where contributions are not utilized to acquire capital assets, no depreciation is allocated.

CITY OF RENO  
MUNICIPAL AIRPORT FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1976

When contributions from other governmental jurisdictions are for the purpose of funding current period expenses, the contributions are classified as income and not as an addition to the contribution account.

The accumulated depreciation expense transferred to the FAA contribution account as of June 30, 1976 was \$2,650,248. No depreciation is allocated to the City of Reno contribution account, as there are no depreciable assets related to the balance.

### City Provided Services

The estimated costs of services provided by other City departments is based on rates established by the City after consideration of actual services provided and the related cost. Provision has been made in the new airlines agreements for reimbursement of various portions of these services. This reimbursement is to be included in calculation of the new landing fees. See Note 5.

Note 1 - Federal Grants Receivable - The Federal grants receivable of \$515,991 are subject to final Federal compliance audit and approval of various projects to determine that the proper procedures were followed and that the money was spent in accordance with regulations.

Note 2 - Contracts Payable - The fund is liable for various contracts on a number of projects. For detailed information regarding payee and project, refer to the Schedule of Contracts Payable in the Supplemental Information section of this report.

Note 3 - Bonds Payable - The bonds payable from operations of this fund are set forth in the balance sheet as follows:

Current portion - principal	\$ 218,697
Due after one year - principal	2,517,944
	<u>\$2,736,641</u>

For information regarding interest rate and other pertinent data, refer to the Statement of General Obligation Bonds Payable in the Supplemental Information section of this report.

Note 4 - Deposits - Deposits represent amounts received from concessionaires and other sources to be refunded pending completion of contracts or other agreements.

Note 5 - Airlines Agreements - During the year, the City of Reno entered into negotiation proceedings with the various airlines utilizing the airport facilities for the purpose of establishing a new lease agreement. The City objective was to increase the user fees to more equitably distribute the cost of operations. As of September 24, 1976, formal ratification by the airlines had not been made. It is anticipated by the City that formal ratification of the agreement will be forthcoming upon final review by the airlines. Included in the new agreement is a pro-

CITY OF RENO  
MUNICIPAL AIRPORT FUND  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 1976

vision for payment retroactively for the period July 1, 1975 to June 30, 1976. No provision has been made in these financial statements for this retroactive adjustment as the agreements had not been formalized. However, it is estimated by the City that retroactive amount will be approximately \$294,900.

Note 6 - Prior Period Adjustment - The City of Reno contributions account has been restated from \$5,191,806 to \$5,165,888 to reflect adjustments to assets contributed by the City to the Airport Fund in prior years. Additional information became available during the year concerning the prior year contributions and accordingly, the records were adjusted.

## EXHIBIT "D"

## CITY OF RENO RESOLUTIONS

## SUPPORTING ADDITIONAL AIR SERVICE

RESOLUTION NO. 3120

INTRODUCED BY COUNCILMAN BIGLIERI

RESOLUTION SUPPORTING ALL APPLICATIONS WHICH MAY BE FILED BEFORE THE CIVIL AERONAUTICS BOARD WHICH WOULD ESTABLISH ROUTES TO RENO AND THE SOUTHERN PORTION OF THE UNITED STATES, WITH INTERMEDIATE STOP AT DENVER, COLORADO.

WHEREAS, the City of Reno, Nevada and the Reno City Council through its Airport Advisory Commission and the Greater Reno Chamber of Commerce are interested in service from Dallas/Fort Worth, Houston and all other points South directly to Reno, Nevada; and

WHEREAS, the City of Reno by and through its City Council adopted Resolution No. 3107 on the 6th day of July, 1976 resolving that the City of Reno and the City Council urges the Civil Aeronautics Board to entertain all applications which would establish such routes; and

WHEREAS, the City of Reno and its City Council desire that such service from the South include new routes established between Reno and Dallas/Fort Worth, as well as other cities in Texas, the South, and in addition thereto including the intermediate point of Denver, Colorado; and

WHEREAS, the City Council of the City of Reno, the Airport Advisory Commission and the Greater Reno Chamber of Commerce feel that such service and air passenger routes directly to Reno, from Dallas/Fort Worth, Houston, other cities in Texas, and from the Southern portion of the United States, with an intermediate stop at Denver, Colorado would be justified, needed and advantageous.

NOW, THEREFORE, be it resolved by the City Council of the City of Reno that the City Council urges the Civil Aeronautics Board to entertain all applications which would establish new routes between Reno, and Texas (Dallas/Fort Worth, Houston and other cities in Texas) and the Southern United States, with an intermediate stop at Denver, Colorado.

On motion of Councilman BIGLIERI, seconded by Councilman GRANATA, the foregoing Resolution was passed and adopted this 9th day of August, 1976, by the following vote of the Council:

AYES: BIGLIERI, GRANATA, LAURI, LEWIS, BOGART

NAYS: NONE

ABSTAIN: NONE

ABSENT: DURANT, MENICUCCI

APPROVED this 9th day of August, 1976.

*Carol J. Bogart*  
MAYOR OF THE CITY OF RENO

ATTEST:

*John M. Bogich*  
CITY CLERK AND CLERK OF THE CITY COUNCIL OF THE CITY OF RENO, NEVADA.

STATE OF NEVADA, }  
COUNTY OF WASHOE } ss.

I, ROBIN M. BOGICH, City Clerk and Clerk of the City Council of the City of Reno, Nevada, do hereby certify that the foregoing is a full, true and correct copy of the original, Resolution No. 3120, passed and adopted at a regular meeting of the City Council on August 9, 1976,

which now remains on file and of record in my office at Reno, Washoe County, Nevada.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the said City of Reno, this tenth day of

August, A.D., 1976.  
*John M. Bogich*, City Clerk.

By \_\_\_\_\_, Deputy.

h'LM  
copy

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RESOLUTION NO. 3089

INTRODUCED BY COUNCILMAN BIGLIERI

A RESOLUTION OF INTENT TO OPPOSE THE 1975 AVIATION ACT  
(DEREGULATION OF AIR CARRIERS) PROPOSED BY THE CIVIL  
AERONAUTICS BOARD

WHEREAS, on December 22, 1975, the City Council of the  
City of Reno considered the proposed 1975 Aviation Act (Deregu-  
lation of Air Carriers); and

WHEREAS, on December 22, 1975, the City Council of the  
City of Reno acted pursuant to the request of the Reno Airports  
Advisory Commission, and the Council expressed its explicit dis-  
approval of the proposed Aviation Act of 1975; and

WHEREAS, on December 22, 1975, the City Council of the  
City of Reno expressed the feeling that the concept of regulation  
of common carrier traffic has been so long established that at  
this point its abolition cannot be advocated; and

WHEREAS, the City Council has indicated that the regu-  
latory process of the Civil Aeronautics Board has not been admin-  
istered as well as it should be; and

WHEREAS, it is believed that if the deregulation process  
were implemented immediately that it would have far reaching affects  
on air carrier service at Reno International Airport.

NOW, THEREFORE, BE IT RESOLVED that the Reno City Council  
urges its Congressional Legislators to oppose the 1975 Aviation Act  
on the basis that if the deregulation act were implemented it would  
have a far reaching impact on the aviation community in Reno.

BE IT FURTHER RESOLVED that the City Council urges the

Nevada Congressional delegation to advocate that the Civil  
Aeronautics Board be administered in a better manner.

On motion of Councilman BIGLIERI,  
seconded by Councilman GRANATA, the foregoing  
Resolution was passed and adopted this 10th day of May,  
1976, by the following vote of the Council:

AYES: BIGLIERI, GRANATA, LEWIS, MENICUCCI, BOGART

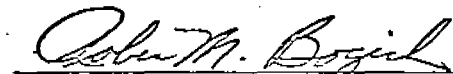
NAYS: LAURI

ABSTAIN: NONE ABSENT: DURANT

APPROVED this 10th day of May, 1976.

  
MAYOR OF THE CITY OF RENO

ATTEST:

  
CITY CLERK AND CLERK OF THE CITY  
COUNCIL OF THE CITY OF RENO, NEVADA



RESOLUTION NO. 3053

INTRODUCED BY COUNCILMAN BIGLIERI DEC 3 1950

RESOLUTION REQUESTING OUR CONGRESSIONAL DELEGATION  
IN WASHINGTON, D.C. TO TAKE WHATEVER STEPS POSSIBLE  
AND NECESSARY TO ASSIST THE CITY OF RENO IN PROVIDING  
ADEQUATE AIR TRANSPORTATION TO AND FROM THE CITY.

WHEREAS, the City Council of the City of Reno, the  
Chamber of Commerce of the City of Reno and all other interested  
parties desire to take whatever action possible and necessary to  
insure that the citizens of this area are provided with air trans-  
portation; and

WHEREAS, Western Airlines is a certificated carrier to  
and from the Reno area; and

WHEREAS, Western Airlines could assist the City of Reno  
in scheduling on request more flights to and from the City.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the  
City of Reno that the City Council wholeheartedly endorses the  
request of the Reno Chamber of Commerce to seek from Western  
Airlines an increase in air service provided to and from the City.  
That Western Airlines either take immediate steps to increase their  
air operations to this area or allow other air carriers who desire  
to compete with the viable market available from throughout the  
western United States.

BE IT FURTHER RESOLVED that the City administration is  
authorized to contact the Los Angeles and San Francisco areas for  
the purpose of proceeding with a petition to the Civil Aeronautics  
Board requesting additional certificates of service in and out of  
the Reno area.

BE IT FURTHER RESOLVED by the City Council of the City of  
Reno that the City Council respectfully ask that our Congressional  
Delegation take whatever immediate action is possible and appropriate  
to intercede in behalf of the City of Reno to encourage increased.

air services to our area by any existing or new air carrier.

BE IT FURTHER RESOLVED by the City Council of the City of Reno that the City Council authorizes the City Clerk to distribute this Resolution to our Congressional Delegation and all other interested parties concerning this matter.

On motion of Councilman BIGLIERI, seconded by Councilman MENICUCCI, the foregoing Resolution was passed and adopted this 22nd day of December, 1975, by the following vote of the Council:

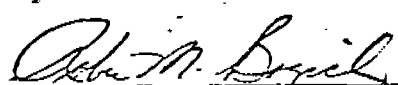
AYES: BIGLIERI, MENICUCCI, GRANATA, LAURI, LEWIS, BOGART

NAYS: NONE ABSTAIN: DURANT ABSENT: NONE

APPROVED this 22nd day of December, 1975.

  
MAYOR OF THE CITY OF RENO

ATTEST:

  
CITY CLERK AND CLERK OF THE CITY  
COUNCIL OF THE CITY OF RENO, NEVADA.

STATE OF NEVADA, }  
COUNTY OF WASHOE } ss.

I, ROBIN M. BOGICH, City Clerk and Clerk of the City Council of the City of Reno, Nevada, do hereby certify that the foregoing is a full, true and correct copy of the original, Resolution No. 3053, passed and adopted at a regular meeting of the City Council held December 22, 1975.

which now remains on file and of record in my office at Reno, Washoe County, Nevada.

IN TESTIMONY WHEREOF, I have hereunto set my

hand and affixed the seal of the said City of Reno, this twenty-ninth day of

December, A.D., 1975.

 City Clerk.

By \_\_\_\_\_ Deputy.

INTRODUCED BY COUNCILMAN BIGLIERI

RESOLUTION REQUESTING OUR CONGRESSIONAL DELEGATION IN WASHINGTON, D. C. TO TAKE WHATEVER STEPS POSSIBLE AND NECESSARY TO ASSIST THE CITY OF RENO TO CONTINUE AT LEAST FIVE DAILY FLIGHTS BY WESTERN AIRLINES TO AND FROM THE CITY OF RENO.

WHEREAS, in recent communications received from Western Airlines, the City of Reno has been informed that they intend to request permission to drop two turn-around daily flights at Reno International Airport; and

WHEREAS, it is understood by the City of Reno that this request for discontinuation will be processed in accordance with the normal C. A. B. procedures requesting elimination of the Los Angeles to Reno, Reno to Los Angeles, Salt Lake City to Reno, and Reno to Salt Lake City flights; and

WHEREAS, this will mean Western Airlines will only have three remaining scheduled flights to and from Reno; and

WHEREAS, the City Council of the City of Reno is deeply concerned that this would not be in the best interest of the City of Reno; and

WHEREAS, the City Council of the City of Reno desires to take whatever action possible to discourage the discontinuation of this air service.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Reno that the City Council respectfully asks that our Congressional Delegation take whatever action is possible and appropriate to intercede on behalf of the City of Reno to prevent the discontinuation of the above-mentioned flights by Western Airlines.

BE IT FURTHER RESOLVED by the City Council of the City of Reno that the City Council authorizes the City Clerk to distribute this Resolution to our Congressional Delegation and all other parties involved concerning this matter.

On motion of Councilman BIGLIERT, seconded by  
Councilman MENICUCCI, the foregoing Resolution was passed  
and adopted this 11th day of August, 1975, by the following  
vote of the Council:

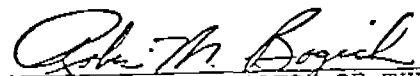
AYES: BIGLIERT, MENICUCCI, GRANATA, LAURI, LEWIS, BOGART

NAYS: DURANT ABSENT: NONE

APPROVED this 11th day of August, 1975.

  
MAYOR OF THE CITY OF RENO

ATTEST:

  
CITY CLERK AND CLERK OF THE CITY  
COUNCIL OF THE CITY OF RENO, NEVADA.

## RESOLUTION NO. 2965

INTRODUCED BY COUNCILMAN BIGLIERI

A RESOLUTION TO PROVIDE FOR AN AIRPORT ENTERPRISE FUND IN ACCORDANCE WITH THE PROVISIONS OF NEVADA REVISED STATUTES §354.610 TO BE FULLY OPERATIONAL JULY 1, 1975.

WHEREAS, Nevada Revised Statutes, Section 354.610 established the authority of local government to designate "Enterprise Funds" in those areas of local government which are self-supporting operations; and

WHEREAS, Chapter 496 of the Nevada Revised Statutes, The Municipal Airports Act, grants to local government the authority to independently operate and control its municipal airports; and

WHEREAS, the Reno City Council heretofore by Resolution No. 2868 indicated its intention to designate and establish within the City of Reno accounting department a separate and distinct accounting for all revenue and expenditures at the City of Reno Airports.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Reno as follows:

I. That in accordance with Nevada Revised Statutes §354.610, "Enterprise Funds," and Nevada Revised Statutes §496.010 through §496.270, Municipal Airport Act, the authority by law to operate an "Enterprise Fund" at the Reno Airports is given and by this Resolution the Reno City Council hereby indicates its intention to establish the fund subject to full compliance and utilization on and after July 1, 1975.

(a) The Airports Enterprise Fund is established for the purpose of creating a completely independent accounting system for the Reno Airports and to provide a continuing accountability for the City of Reno of all revenue and expenditures in accordance with proper accounting procedures as set forth in Local Government Regulation No. 15, "Enterprise

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Funds" attached hereto as Exhibit "A."

(b) The authorization for the establishment of an independent enterprise fund is contained in Chapter 496 Municipal Airports Act of the Nevada Revised Statutes.

(c) The Reno Airports are financed not considering federal, state and city sources primarily from the revenue derived from the airlines, all lessees at the Airport, all FBO Operators, all common carriers and all parties authorized to operate at the Reno Airports with valid agreements with the City of Reno. These sources include but are not limited to the following entitles:

The Airport terminal concessionnaire--Mapes Enterprises, INC., United Airlines, Western Airlines, Airwest Airlines, Casino Air Service, ASI, Reno Flying Services Whittlesea Cab Company, Baker and Drake Cab Company, Hertz Rent-a-Car, Avis Rent-a-Car, National Rent-a-Car, Butler Aviation and all other companies, partnerships or individuals not holding an agreement with the City of Reno or who may have contracts in the future at the Reno Airports to provide goods or services. The authority for the City of Reno to operate at Reno International Airport and the Stead Airport, known as the Reno Airports and to levy charges or fees for the operation of said Airports is contained in Chapter 496 and 497 of the Nevada Revised Statutes.

(d) All expenditures and revenues at the Reno Airports shall be accounted for by the independent "Enterprise Fund" under the control of the City of Reno and in accordance with accepted accounting procedures and as provided for in all of the agreements mentioned above which now exist or which may exist in the future.

(e) The control and provisions for reserves, depreciation allowances and surpluses shall be the responsibility of the City of Reno.

II. As specifically provided for in NRS §354.610 no expenditures from the Airports Enterprise Fund shall be made or authorized in excess of the balance of such fund.

III. The Reno Airports Enterprise Fund shall support all expenditures properly related to the operation of the Airport including but not limited to, debt service, capital outlay and operating expenses. All in accordance with NRS §354.610. No surplus of the Airports Enterprise Fund will be declared until all expenditures and disbursements relating to such fund have been accounted for.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the City of Reno Airports Enterprise Fund is hereby provided for by the Reno City Council and shall be fully operational as established on and after July 1, 1975.

On motion of Councilman BIGLIERI, seconded by Councilman MENICUCCI, the foregoing Resolution was passed and adopted this 10th day of February, 1975, by the following vote of the Council:

AYES: BIGLIERI, MENICUCCI, LAURI, LEWIS, BOGART, DIBITONTO

NAYS: NONE ABSENT: SORENSEN

APPROVED this 10th day of February, 1975.

  
MAYOR OF THE CITY OF RENO

ATTEST:

  
CITY CLERK AND CLERK OF THE CITY  
COUNCIL OF THE CITY OF RENO, NEVADA.

WASHOE COUNTY AIRPORT

COMMITTEE

1975

1976

MEMBERS NAMES

9/24 10/22 11/19 1/14 2/11 3/10 4/14 5/12 6/16 7/14 8/11 9/29 10/27

Attendance Totals

Margie Foote, Chairman	X	X	X	X	X	X	X	X	X	X	X	X	X	
Al Wittenberg	X	X	X		X	X	X	X	X	X	X	X	X	
Bob Heaney	X		X	X	X	X	X		X			X	X	
Ted Hermann	X	X	X	X	X	X	X	X		X	X	X	X	
Randy Capurro	X										X	X		
Gerald Grow	X		X				X					X		
Pat Lewis	X	X	X	X	X	X		X	X	X	X	X		
Bill Raggio	X		X	X	X		X	X				X		
Ron Darney	X	X	X		X	X	X		X	X	X	X	X	
Clyde Biglieri	X	X	X			X	X	X	X		X	X		
Ed Hastings	X		X		X	X		X				X		
Bob Rusk	X	X	X	X	X	X	X	X	X		X	X	X	
Elwyn Freemonth												X	X	
Ed Oaks	X													

\*-Replaced Ed Oaks effective  
9/29/76



WASHOE COUNTY AIRPORT STUDY COMMITTEE

DATE:

TERM: NONE DESIGNATED

PLACE:

REFERENCE: Assembly Bill  
No. 498

APPOINTED BY: City Council

<u>NAME</u>	<u>ADDRESS</u>	<u>PHONE</u>	<u>APPOINTED</u>
BIGLIERI, CLYDE (Councilman)	490 S Center Street B-Washoe Realty 1100 Kietzke Lane R-2250 Tybo Avenue	785-2014  786-6932 358-7451	7/28/75
DARNEY, RONALD B. (Public Accountant)	Darney, Rand, Vannoy & Romwall, Ltd 245 Gentry Way R-660 Capitol Hill Ave.	  825-2143 322-1317	7/28/75
LEWIS, PAT HARDY (Councilwoman)	490 S Center Street R-1290 W Plumb Lane	785-2011 826-4050	7/28/75
FREEMONTH, ELWYN F. (Public Accountant)	Harris, Kerr, Forster & Company 1755 E. Plumb Lane R-2085 Dant Boulevard	  786-7700 825-7997	

MEMBERS FROM THE CITY OF RENO

<u>NAME</u>	<u>ADDRESS</u>	<u>PHONE</u>
HASTINGS, EDWIN F. (Councilman)	431 Prater Way B-Sierra Pacific Power Co-920 B Street-Sparks R-1940 Brunetti Way	359-2700-10  789-4532 358-2965

MEMBER FROM THE CITY OF SPARKS

WASHOE COUNTY AIRPORT STUDY COMMITTEE  
(Page 2)

<u>NAME</u>	<u>ADDRESS</u>	<u>PHONE</u>
CAPURRO, RANDALL V. (Insurance Consultant)	Capurro, Voss Associates 400 S Wells Avenue Rm 210 R-6450 Longley Lane	786-5422 825-6456
GROW, GERRY (County Commissioner)	1205 Mill Street B-State Farm Insurance 1205 Rock Blvd R-182 Galleron Way-Sparks	785-5454  358-7583 358-5634
HERMANN, E. T. (TED)	Pres.-Pacific Freeport Warehouse Co. 901 E Glendale Avenue R-1200 Riverside Drive	358-3931 786-0233
RUSK, ROBERT F. (County Commissioner)	1205 Mill Street B- R-729 Humboldt Street	785-5454 329-6411 323-3477

MEMBERS FROM WASHOE COUNTY

---

<u>NAME</u>	<u>ADDRESS</u>	<u>PHONE</u>
FOOTE, MARGIE (Sparks Senator)	Carousel Shop 210 - 10th Street-Sparks R-5585 Wedekind Road	358-6592 358-5171
HEANEY, ROBERT E. (Reno Assemblyman)	Attorney-10 State Street Room #301 R-6850 Prestwick Circle	786-1614 359-2823
RAGGIO, WILLIAM J. (BILL) (Reno Senator)	Attorney-First National Bank Bldg-Suite #806 1 East 1st Street R-795 Robin Street	329-6232
WITTENBERG, ALBERT M. (Reno Assemblyman)	R-2630 Scholl Drive	747-2606

LEGISLATIVE MEMBERS

Throughout our history, tourism in the Reno/Sparks area has been primarily dependent upon the automobile and the bus. Currently, no more than seven (7) percent of our visitors are arriving by air.

Yet in recent weeks we have experienced more interest from airlines not now serving our area than at any time in our past. Five new airlines currently have requests before the CAB to service Reno.

The fundamental reason for the lack of air service over the years has been a shortage of major-sized hotels. Air travelers are more attracted to large, resort-type hotels than any other single factor. The current construction of the Reno MGM Grand has done more to stimulate air service activity and interest than any single factor in our long history.

In looking to the future, it would appear that if we are ever to convert to an airport authority, this is the best time to do so. Currently the City of Reno is faced with many problems that are vital and time consuming not involving either the airport or air service. Yet, due to its economic importance, both the airport and air services need far greater attention than the City of Reno is able to offer.

This is not a criticism of the City of Reno. Many progressive steps have been taken in recent years after long periods of neglect. But it still remains that the Reno International Airport is not adequate to properly take care of our current needs and its problems will increase dramatically in the years to come. We should also keep in mind that the airport, although operated by the City of Reno, serves as the gateway to most air activity in Washoe County, Carson City and Lake Tahoe. For these reasons, the Greater Reno Chamber of Commerce believes that it would be in the best interests of the Reno Area citizens if an authority were created to work full time in keeping pace with airport needs and expansions. It would also free the City of Reno to spend more time on such current vital issues as the expansion of the sewer plant, downtown parking, growth policies and many other problems currently threatening the orderly development of our economy.

March 9, 1977

Senate Committee on Government Affairs  
Washoe County Airport Authority Hearing  
Nevada State Legislature

I have been a member of the Reno Airport Advisory Commission since its inception in 1972, although I am speaking to you in an unofficial capacity.

Airport management at that time was questionable and the responsiveness of the Reno City Council was less than satisfactory. As an example, the established chain of command at the time was from the Airport Manager to the City Engineer to the Director of Public Works to the City Manager and, finally, to the City Council.

Now, from that less than satisfactory situation to the present, there has really been a positive change. For example, the chain of command has been shortened, so that the Airport Manager now reports directly to the City Manager. In addition, there has been an Airport Master Plan initiated and implemented inspite of an embarrassing bungling of a selection of a planning team. Airport leases have been standardized and improved at the city's gain. A long needed landing fee agreement has been negotiated by the city which will immediately improve the financial condition of the airport. The City Council has been very responsive to the recommendations of the Airport Commission and in all but a very few cases has approved all recommendations. In fact they generally won't act on an airport matter unless it is accompanied

Vernon Durkee, Jr.

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by a recommendation from the Airport Advisory Commission. In short, the Reno International Airport is now high priority with the current Council and definite improvements are being initiated.

I background you with this information because I feel it is a mistake and an injustice to initiate an airport authority with the principal argument that the City of Reno has not done its job. On the contrary, I sincerely feel that they have made a fine effort to improve the facility.

Why then a regional airport authority? For one very important reason: Taking from the words expressed in proposed Senate Bill 198, the airport of the City of Reno is now serving the inhabitants of a large geographical area and whereas what was once a municipal airport in both name and fact is now a regional airport. That is the reason for an authority.

Control of that airport should, therefore, be regionalized, so that the prime users, namely Reno, Sparks, and Washoe County, should be uniformly responsible for and to the airport. Further, there is a real advantage in having an authority that has the ability to make its own decisions financially and administratively.

In urging this authority, I also have genuine concerns as to the wording of the Bill and would like to make you aware of these concerns.

The City of Reno certainly has a strong financial interest and has to be fairly compensated. Perhaps this can be in the way of a tax credit to Reno citizens in the future.

more...

Vernon Durkee, Jr.

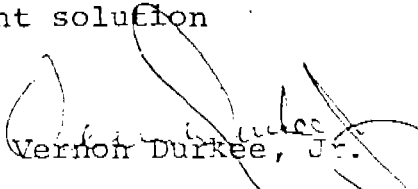
-3-

I question whether a five-person Board is adequate in size. With so many important matters, conceivably three persons could act and vote upon them at any given time. Perhaps seven members would be a more realistic number.

Section 6, Paragraph 2 of Senate Bill 189, states that no member may have any financial interest in the Aviation industry or be interested as a private purveyor in any contract or transaction with the authority. These restrictions appear to be self defeating. To get people with real expertise perhaps requires an individual with some of the aforementioned affiliations. It is essential to obtain people with a real knowledge of airport functions. Certainly it would be possible for an authority member to refrain from voting on an issue that could constitute a conflict of interest.

Because of the many changes happening in the Reno, Sparks, Washoe County area and because of many pending improvements starting to take place at the airport, it is imperative that proper planning be exercised to insure a quick and smooth transition from City control to the area authority control.

Finally, I wish to emphasize that I urge this change as a concerned citizen of the City of Reno -- not on the strength that I am personally interested in being a member of the new authority, for I would not be a candidate for this position, but I sincerely believe that to create an airport authority is the only intelligent solution.

  
Vernon Durkee, Jr.

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INTRODUCTION TO TESTIMONY BEFORE THE SENATE GOVERNMENT  
AFFAIRS COMMITTEE

MARCH 9, 1977

Afternoon

074

I am Ted Hermann of Reno; I am a member of the Airport Study Committee and of the Majority Report and one of the original members of the Reno Airport Advisory Commission. In business I am President of Trans Western Leasing Corporation, developer of Pacific Freeport Industrial Park in Sparks; I am also President of Pacific Freeport Warehouse Company which is the largest public warehouse operation in Nevada. We now operate 690,000 square feet of warehousing, all built within the last ten years. By the end of 1977 our facilities will total over 1 million square feet. Our clients are all headquartered in the Eastern United States or in foreign countries. Nearly one-half of the products we handle are imported from some 15 foreign countries. We handle over 1 million pounds of product a day.

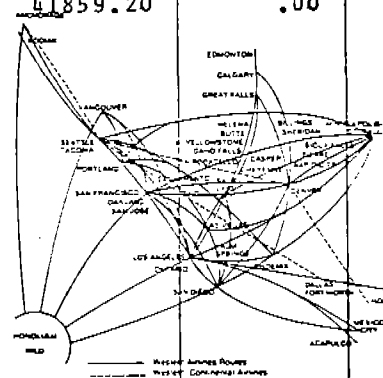
This information is not only for personal background, but to give you some profile of an industry which in Northern Nevada is second only to tourism. Since I came to Northern Nevada 15 years ago the distribution warehousing industry has grown to total over 12 million square feet and represents an investment of over \$150 million. Warehousing in Northern Nevada directly provides nearly ten thousand year round jobs and expenditures for wages, utilities and supplies of something in excess of \$300,000,000.00 a year.

Growth of this industry is currently over 10% a year and trending upward. Our industry is totally dependent on good transportation services and increasingly dependent upon air transportation both for people and for air freight.

672 #9

err Lines, Inc. BOX 92005 WORLD WAY POSTAL CENTER, LOS ANGELES, CALIFORNIA 90009

INVOICE NUMBER	3 15	TOTAL	CASH DISC.	NET CHECK	12277	202899
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LOS ANGELES, CALIFORNIA 90071

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12277	202899	***41859.20

RENO/STEAD AIRPORT  
AIRPORT MANAGERS OFFICE  
RENO INTL AIRPORT  
RENO NV 89502

Western Air Lines, Inc.

*[Handwritten signature]*

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RENO INTERNATIONAL AIRPORT  
RENO NV 89502

date check no. net amount

\$383,766.20 03/03/77 17299 \*\*\*\*\*383,756.2

operating account

*[Handwritten signature]*

WACHOVIA BANK AND TRUST COMPANY, WINSTON-SALEM, N.C.

⑈012299⑈ ⑆0531⑈0049⑆ 8⑈094⑈603⑈

attachment #10  
Presented with 10/1/77



My name is Walter E. Mullally of Cashill Boulevard, Reno. I am chairman of the Reno International <sup>Airport</sup> Advisory Commission. The Commission did not take any action on S.B. 198, therefore, my thoughts are my own. *I was also a member of the Airline Agreement negotiating team for 2 yrs*

Mr. Chairman and members of the Committee, I am here to discuss with you S.B. 198. This bill, in my opinion, has been ill-conceived and is particularly ill-advised at this time. It seems to me that this issue has become perennial as it has been considered now at three separate sessions of the Nevada Legislature. The Reno City Manager, staff and previous speakers have prepared for you and presented to you very thorough arguments refuting specific aspects in support of S.B. 198. I will limit my remarks to some comments on the generalities of the majority report of the Washoe County Airport Study Committee and some of the particulars of S.B. 198.

The seven member majority of the thirteen member committee opens its report with the following statement: "It is the belief of the majority that the findings expressed herein are consistent with and supported by the evidence presented to the Study Committee during the course of its year of meetings and deliberations". I looked up in the Webster's Dictionary the definition of "belief". I found that belief is defined as "conviction or pursuation of truth".

Now to the majority report: Under the summary of findings Paragraph B. Subparagraph 1, the report indicates that "adequate funding of the Airport and its future financial health can best be

insured by the creation of an airport authority which has the following advantages over the present municipal operation of the Airport". In Subparagraph A, the first advantage indicated identifies "support of a wider tax-base for increased financial capacity". This reference to the wider tax-base is irrelevant when one understands the conditions of the Airport Lease and Landing Fee Agreement effective July 1, 1975 through June 30, 1986 (including attachments A and B). The "so called" wider tax base is inconsistent with the pronounced twenty year expansion of the Reno International Airport as provided for in the Reno International Airport Master Plan. The cited expansion programs approved by the Reno City Council indicates approximately 20.5 million dollars will be spent in the next ten to twenty years. Of that 20.5 million dollars, the ADAP Program of the Federal Government should finance approximately 15 million and Reno City Airport funds will be required initially in the amount of about 5.5 million dollars. Very likely these funds will be raised through Airport revenue bonds. However, the terms of the aforementioned Landing Fee Agreement allows for total reimbursement to the City of Reno's portion of these expansion program costs and debt service costs. This reimbursement is provided through annual adjustments of the landing fees. In July, 1986, the City could effect a renewed contract with the airlines or adopt an ordinance on an annual basis and accomplish the same terms for the years of 1986 through 1995. The existing or future tax-base has nothing to do with revenue bonds nor is a wider base necessary even if

general obligation or a combination of general obligation/revenue bonds are used. It is just not relevant.

Subparagraphs C and D have either been accomplished or again are not based on fact.

Paragraph 5 has already been accomplished.

Ladies and Gentlemen, so it goes with the inaccuracies and opinions presented to the Legislature as fact for its consideration of S.B. 198. In the interest of time I will not cite any further inaccuracies, however, I submit that a reading of the subsequent paragraph will show errors, inaccurate statements and capricious statements concerning present Airport management.

I will now turn to S.B. 198 for a few comments on some of its provisions. Here again, on Page 1, Line 16, opinion is identified as fact. I will read line 16. "The City of Reno is unable to operate the Airport effectively within the traditional framework of local government, evidencing the need to create a special governmental corporation to provide specific facilities and services to the public." I am sure you will agree as is evidenced by the previous presentations made to you that this statement has to be opinion.

Just briefly, the City has collected most of the \$495,000 in retroactive landing fees from the servicing airlines for the period of July 1, 1975 to December 30, 1976. I submit that with this collection the Reno International Airport is on a pay-as-you-go pay basis and that the economic and service future of the Reno International Airport is assuredly bright.

Again, on Page 1, Line 20 through Page 2, Line 3, S.B. 198 states that the "development of a modern airport requires the expenditure of vast sums of money for land acquisitions and capital improvements not available to the City of Reno through the issuance of municipal securities secured by general obligation tax receipts. Of course, in this statement S.B. 198 does not identify that money from land acquisitions and capital improvements are available to the City of Reno through ADAP funds in the usual amount of 93% or by the issuance of either revenue bonds, general obligation bonds or a combination of both.

Page Three identifies the representative makeup of the proposed authority which would be two members appointed by the City Council of Reno, two by the Washoe County Commission and one by the City of Sparks. I ask the Committee, does this representation represent to the Legislature compliance with the U.S. Supreme Court's thesis of one man, one vote handed down some years ago. A minority representation of Washoe County (excluding Reno population) plus Sparks representation could out-vote or override the majority population. Actually, a quorum of three with a majority vote of two could conduct business as indicated on Line 47 to 50 of Page Three of this bill. At best, this is once removed from the citizen taxpayer and, in effect, represents potential taxation without representation.

I refer now to Section 21 on Page 6 of S.B. 198. If I understand this section, I believe it is illustrative of the lack of understanding by the drafters of this legislation and is self

evident to the reader how ludicrous this section and other sections of S.B. 198 are.

To elaborate, the Board would have financial authority up to \$4,999 to acquire land, construct, install, complete any airport or the making of a contract with the United States or any other person or corporations to carry out the objects or processes of the authority requiring the creation of an indebtedness of \$5,000 or more. However, any such board requirement of this magnitude would require the submission of such proposal to the Washoe County electorate with all the resulting delay, expense, and political exposure involved.

Ladies and Gentlemen to the Committee, consider that the Reno Internatioanl Airport operating budget would be approximately 1.5 million dollars and capital expenditures of 3 million dollars in the next fiscal year. With the above restrictions, how many elections do you suppose there would have to be in order to accomplish the operations of the Airport and every incremental item to be expended in excess of \$5,000. Is this the type of "optimum airport management" referred to in Item 7 of the majority report? It seems to me that just this restriction obviates the claim the majority report makes that an authority type management will take the management of the Reno International Airport out of politics. I truly believe that rather than taking it out of politics, it will thrust it in the middle of the political involvements of the area.

Lastly Ladies and Gentlemen, reimbursement to the taxpayers

who have financially supported the purchase, development, and operation of the Reno International Airport for twenty-three years until it is presently an asset of the City with the market value of perhaps 30 million dollars or more is not even addressed in S.B. 198. Could it be that sponsors of S.B. 198 realistically do not expect litigation by citizens of Reno would be forthcoming in such a legislative confiscation of assets. In my opinion, such litigation would tie up the implementation of S.B. 198 either permanently or for years.

Members of the Committee, I can support an airport authority approach to the management of any publically owned airport or other facility under certain circumstances and conditions. However, I submit that the circumstances in this instance are unsupportable.

For presentation to the Senate Governmental Affairs Committee  
March 9, 1977.

**FIRST NATIONAL BANK**  
OF NEVADA

A. M. SMITH  
CHAIRMAN OF THE BOARD AND  
CHIEF EXECUTIVE OFFICER

March 09, 1977

My name is Arthur M. Smith, Jr. and I reside at 1077 Dartmouth Drive, Reno, Nevada. I am Chairman of the Board of First National Bank of Nevada. I would like to make the following statement in support of Senate Bill 198.

Because of the uniqueness of our airport in that it serves a multitude of political subdivisions (Reno, Sparks, Washoe County, Carson City, Minden, Gardnerville), it appears to me that the ultimate in the operation of the airport would be the creation of an Airport Authority.

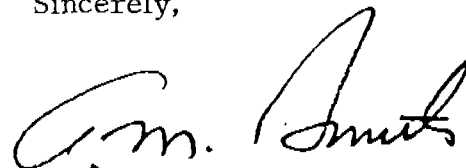
If properly constructed through the appointment of astute men from commercial aviation, private pilots, fixed base operators and business men, I am sure that an Authority of this type can operate effectively and efficiently and properly grow in airport traffic that is sure to come to our area.

I was the first Chairman of the Airport Commission in Las Vegas approximately 15 years ago, prior to my return to Reno. After over a year's deliberation, a master plan was submitted to the Clark County Commission. The Commissioners became so upset and irate over the plan that rather than fire the Airport Commissioners, they decided to abolish the Airport Commission. If you would look at those recommendations some 15 years ago and the Clark County Airport today, you will find that they followed the recommendations almost to the letter.

My point is that with proper members, a great service can be made to the community.

I fully support Senate Bill 198.

Sincerely,



Read by BILL BARTON

C

## SENATE GOVERNMENT AFFAIRS COMMITTEE

## GUEST REGISTER

NOTE  
↓ ↓

DATE

3-9-77

PLEASE SIGN - EVEN IF YOU ARE  
NOT HERE TO TESTIFY.....

NAME	WILL YOU TESTIFY	BILL NO	REPRESENTING - - - - -
ROBERT KENDRU	Yes	SB 198	CITY OF RENO
<del>JOHN H. LUTIMORE</del>	<del>Yes</del>	<del>SB 198</del>	<del>My Self</del>
JOHN H. LUTIMORE	Yes	SB 198	My Self
BOB HAYES	NO	SB 198	AIR TRANSPORT ASSN
MIKE COX	Yes	SB 135	NEV. SOCIETY of CPAs
RUSS McDONALD	YES	✓	WASHOE COUNTY
<del>HARRY CLOSE</del>	<del>Yes</del>	<del>SB 198</del>	<del>DET WARR HOTELS</del>
<del>JOHN H. LUTIMORE</del>	<del>Yes</del>	<del>SB 198</del>	<del>My Self</del>
DON McChie	Yes	✓ 135	CPA Society
Leroy Bengstrom	Yes	✓ 135	✓
MIKE COX	Yes	✓ 135	✓
WILLIAM G. BARTON	Yes	✓ SB 198	FIRST NATIONAL BANK OF NEV
ALBERT E. CARTER	NO	✓ 135	CPA SOCIETY
PAT HARDY LEWIS	yes	✓ SB 198	City of Reno
JAMES LISA	yes	✓ SB 110	Deputy Taxation
JOHN H. LUTIMORE	yes	✓ SB 198	My Self
LORRAINE ARMS	Yes	✓ SB 91	Neve Goldmans Assoc
R.H. Oldland	YES	SB 230	RENO CFP
STEVEN SUTTER	YES	✓ SB 198	City of Reno
MATT BENSON	YES	✓ SB 110	City of NORTH LAS VEGAS
WALTER E. MILLER	YES	✓ SB 91	Gardner Miller
	YES	✓ SB 198	
	YES	✓ 198	City of Reno 681





SENATE

GOVERNMENT AFFAIRS COMMITTEE

Minutes of Meeting - March 21, 1977

Present: Chairman Gibson  
Senator Foote  
Senator Faiss  
Senator Gojack  
Senator Hilbrecht  
Senator Raggio  
Senator Schofield

Chairman Gibson called the twenty-fourth meeting of the Government Affairs Committee to order at 2:00 p.m. with all members present.

Chairman informed the committee that he would be rescheduling the negotiation bills for April 4. The Washoe County classroom teachers indicated that there would be two more bills included.

SB-323 was not on the agenda but has been referred to our committee. The A.F.L.C.I.O. has requested that we withdraw this bill. The bill requires employer's payroll bond. It wasn't what they wanted.

Motion to Indefinitely Postpone by Senator Hilbrecht, seconded by Senator Gojack. Motion carried unanimously.

SB-310

Provides optional bases of accounting for certain local governments.  
(BDR 31-1024)

Neil Jensen, White Pine County Clerk and representing the city of Elko testified in favor of this bill. He noted to the committee that Ely was also in favor of this bill. Mr. Jensen felt that the smaller counties do better with the cash basis. They feel the accrual method is more costly and while it is good for the larger counties with a larger cash flow it hurts the smaller counties.

Senator Hilbrecht asked Mr. Jensen and the committee to look at page 2, line 21 where it referred to the annual audit being done on the accrual basis even though the county may have been transacting on the cash basis. Felt that this would be very difficult to do.

Lee Burkstrom, C.P.A., stated that this can be done and is quite common in some types of accounting systems. He felt that it would pose few problems to the smaller counties.

Mr. Henry Etchemendy, Chairman of the Local Advisory Committee, has no stand at this time on the bill. He indicated that they wanted, in the past, to get away from the cash basis.

Bob Broadbent, County Commissioners, felt that the smaller counties would benefit by working on the cash basis and using the accrual method at the end of the year for the audit.

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 Government Affairs  
 Minutes of Meeting No. 24  
 March 21, 1977  
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were not able to negotiate with the administration, it must come from the legislature. Our bill is copied after the Colorado statutes.

Jim Wittenberg, State Personnel Department, testified against this bill. One reason was that included in the Governor's budget is a salary recommendation along with an increase in the employer contribution of insurance. We feel that the recommendations would bring us into line and for that reason the payment for unused sick leave wasn't considered. Mr. Wittenberg, in their own study, felt that \$190,000. would be the impact of such legislation.

Mr. Vernon Bennett, Executive Officer of the Public Retirement System, testified against the bill also. (See Attachment #1)

Bob Warren, Nevada League of Cities, stated that the cities were opposed to this bill. Feels that it would set a precedent to write this into the law and then the cities and counties would also want such a benefit.

Bob Gagnier requested to respond to the comments made against the bill. He felt that this was thought to be a viable measure for state workers that use very little sick leave. They also have no objection to removing Section 2 from the bill if this would be more acceptable. We need to have this mandated. We can not go to collective bargaining but the cities do.

Chairman Gibson asked if Mr. Wittenberg could get some reports on the people who in the past year have died or retired - note what the figures would have been if this bill had been in effect. Mr. Wittenberg stated that he would get this information to the committee as soon as possible.

AB-373  
 Amends charter of City of Elko by expanding powers of board of supervisors to acquire recreational facilities. (BDR S-166)

Assemblyman Dean Roads, Elko, testified to the committee indicating the history behind the drafting of this bill. The main thrust is to allow the Elko city charter to be changed so the city can buy a ski facility.

Motion of Do Pass by Senator Foote, seconded by Senator Faiss.  
 Motion carried unanimously.

SB-198  
 Creates Washoe County Airport Authority. (BDR S-847)

Senator Raggio handed out some amendment suggestions for the committees consideration. (See Attachment #2) Senator Raggio felt that these

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amendment suggestions would do two things. Increasing the size of the authority board to have seven members. Of the seven members four would be from Reno. Throughout the bill the approval of the Board of County Commissioners is provided. This is similar to the way it is run in Clark County at McCarrin Airport. Also noted was the new legislation stated clearly that the requirement for submission to voters would be only in those cases where you would be bonding or contracting for long term indebtedness. Any other purchase would be done on a cash basis.

Senator Raggio continued that this bill is very important to the people of Washoe County and reiterated that he isn't criticizing the city of Reno for the job they have tried to do.

Senator Hilbrecht had concern that there wasn't enough proof that an airport authority would correct a bad situation. There was evidence that Reno was handling the job well and had good plans for the future. He also stated that if the proposed plans for expansion met with the growth factor it should be left to the city of Reno.

Senator Foote stated that as Chairman of that interim committee for a year, there was no testimony stating that we needed an airport authority with the exception of Joe Lattimore (was City Manager for 14 years).

Senator Raggio was concerned that even though the city council is doing a good job now of getting the airport on its feet it might not always be that way. It was his feeling that we should insure that the airport is always handled properly.

Chairman Gibson agreed that he would like to see more evidence that the airport would be better off as an authority for Washoe County rather than as it is with the city of Reno.

Mr. Heany, on Minority Report & on the interim study committee, wanted to comment, after hearing the feelings of the committee, that he couldn't give hard evidence that an airport authority would be better. If the Master Plan could be reviewed it would give a better idea of whether the plans by the city of Reno would keep up with the growth of the area. This Master Plan is kept by the city of Reno and since the people of Reno are also against an airport authority the opinion might be somewhat different and possibly less objective.

Chairman Gibson then stated that he would like to look this Master Plan over but noted that he can't see his way to voting for an airport authority when the people of Reno were so divided on their opinions.

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Senator Raggio asked what would happen if the city of Reno took some of the profits from the airport and put them to use in the city projects. How would you prevent that.

Bob Warren, Nevada League of Cities, testifying against the bill thought that a provision that any monies generated in surplus by this enterprise fund be returned to projects for developing the airport.

Senator Raggio suggested that we set another date and get someone to come before the committee giving the information needed on the Master Plan.

Chairman Gibson set a tentative date of March 30th for another hearing, time will be 2:00 p.m.

SB-110

Provides for corrective action by State where local government is in financial difficulty. (BDR 31-235)

Chairman Gibson went over the bill and the comments that were made in the last meeting. The County Commissioners were in favor of the bill but they wanted Section 10 to have in the listing "long term" or "borrowed debt". The city of Las Vegas wanted changes in Section 9, lines 7 through 10 making it obligatory rather than just hearing the "advised recommendation".

Bob Warren, Nevada League of Cities, indicated that eight cities were in favor and six against the bill in the latest poll.

Chairman asked Mr. Daykin if in Sec. 9 could the law state "require their approval". Mr. Daykin stated that it was lawful and could be so stated. It was the opinion of the Chairman and the committee members that the bill had merit and with the necessary changes would be acceptable to all concerned.

Frank Daykin noted that there wouldn't be a need for a regulation to carry out Section 5. This was in response to Senator Raggio's concern that there might be a need for a regulation to be sure that the procedures were carried out. The Chairman felt that the procedures and proforma would create the necessity to carry out the regulations.

Chairman Gibson asked Mr. Daykin about Section 10 having it worded so that it would cover long term indebtedness. Frank stated that he would give the language some thought and bring something back to the committee.

ASSEMBLY ACTION	SENATE ACTION	ASSEMBLY / SENATE AMENDMENT BLANK
Adopted <input type="checkbox"/> Lost <input type="checkbox"/> Date: _____ Initial: _____ Concurred in <input type="checkbox"/> Not concurred in <input type="checkbox"/> Date: _____ Initial: _____	Adopted <input type="checkbox"/> Lost <input type="checkbox"/> Date: _____ Initial: _____ Concurred in <input type="checkbox"/> Not concurred in <input type="checkbox"/> Date: _____ Initial: _____	Amendments to Assembly / Senate <b>088</b> Bill / Joint Resolution No. _____ (BDR _____) Proposed by _____ _____ _____

7 Amendment N<sup>o</sup> 403 A



Amend section 5, page 3, line 4, delete "comprised of five" and insert "composed of seven".

Amend section 5, page 3, line 5, delete "two" and insert "four".

Amend section 12, page 5, line 15, insert:

" , subject to the approval of the board of county commissioners of Washoe County," after "board".

Amendment No. 403A to Senate Bill No. 198 (BDR S-847) Page 2

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Amend section 13, page 5, line 23, insert

", subject to the approval of the board of county commissioners of Washoe County," after "shall".

Amend section 14, page 5, line 49, insert:

", with the approval of the board of county commissioners of Washoe County," after "make".

Amend section 17, page 6, line 21, insert:

", with the approval of the board of county commissioners of Washoe County," after "may".

Amend section 20, page 6, line 39, delete "four trustees," and insert: "five trustees and with the approval of the board of county commissioners of Washoe County,".

Amend section 21, page 7, delete lines 1 through 4 and insert:

"of the authority and the public interest or necessity demand the crea-".

SENATE

GOVERNMENT AFFAIRS COMMITTEE

Minutes of Meeting - March 30, 1977

Present:

Chairman Gibson  
Senator Foote  
Senator Faiss  
Senator Gojack  
Senator Hilbrecht  
Senator Raggio  
Senator Schofield

Also Present: See Attached Guest Register

Chairman Gibson opened the twenty-eighth meeting of the Government Affairs Committee at 2:00 p.m. with a quorum present at that time.

The Chairman asked the committee to consider introduction of the following requests:

BDR-1379, introduced by Senator Sheerin at the request of the League of Cities. Changes the compensation of public officers with National Guard, who are on leave for training duty.  
Motion for Committee Introduction by Senator Schofield, seconded by Senator Faiss. Motion carried unanimously.

BDR 20-1422, requested by Clark County; an act relating to county hospitals. Chairman noted that this was an outgrowth of the annexation procedures that are being looked at.

Motion for Committee Introduction by Senator Hilbrecht, seconded by Senator Schofield. Motion carried unanimously.

The Chairman then noted that a previous request for committee introduction was allowing for the local governments to experiment with the ten hour day. It is in SB-400. We will drop the request and look at this bill.

SB-302

Provides for consolidation of reports of state agencies. (BDR 29-905)

Jean Ford testified in favor of this bill for the committee. In a previous hearing the committee had several amendment suggestions. Mrs. Ford had worked on this with Mr. Lickell, Planning Coordinator, and wanted to go over the changes with the committee to see if they met with their approval. (See Attachments #1 and #2)

Senator Hilbrecht and Senator Gojack had trouble with interpreting the term "significant historical events".

The committee discussed the proposed amendments and felt that all reference to the legislature should be deleted. They also felt that on line 8 they would delete "except the legislature" and replace it with "referred to in paragraph 5". The committee felt that in subsection 2 there should be a (f) index to the biennial report and



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SB-307

Provides for alternative method of electing county commissioners in certain counties. (BDR 20-994)

Senator Dodge, sponsor, testified to the committee with additional information. He passed out a report that indicates how the block vote has affected the elections. (see Attachment #5)

Mr. Salmon, Virginia City and previous commissioner, again asked the committee's help in correcting the situation. He felt that their only hope was this bill and felt that the 25% petition figure was agreeable to them.

Senator Dodge wanted the committee to know that 253 people, that were contacted by phone, stated that they would support the change in method of electing county commissioners.

Motion to "Amend and Do Pass" by Senator Foote, seconded by Senator Raggio. Motion carried unanimously. Amendment was to change to 25% instead of 15%.

SB-198

Creates Washoe County Airport Authority. (BDR S-847)

Chairman Gibson informed those present that in the last meeting we asked some people from both Majority Report and Minority Report to bring people with expertise to help make clear in our minds whether an airport authority is needed.

Robert L. Mandeville, City of Reno, Department of Airports Director, testified against the airport authority. He had a large map indicating the Master Plan and passed out copies of his Master Plan Presentation. (See Attachment #6) He stated that the cost of the report was about \$117,000 and took approximately two years to complete.

Senator Gojack asked Mr. Mandeville whether the city had acquired and tied up land that was inappropriate. The Senator prefaced this question by stating that many people from her district have made this statement.

Mr. Mandeville stated that the land acquired was to secure the flexibility that was needed for expansion in the future. He stated that they have Burns and McDonald working on the re-evaluation of the Master Plan and expansion of the terminal.

Mr. Parry, Vice President of Western Operations informed the committee that he worked for Mr. Arnold Thompson who designed the Master Plan for the City of Reno. He was manager of the airport study which began in 1974. He stated that the plan is old and should be reviewed. He also felt that the Master Plan should have been started on some time ago. Many things weren't known at the time it was drawn up and therefore is not a valid Master Plan.

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Mr. Parry entered into the minutes a report that gave details on his past history with regard to airports and airport authorities. Attached to this report is a study taken by the FAA by Mr. Parry. (See Attachment #7)

Mr. Parry felt that an airport authority would be more efficient and provide the expertise that is needed in any successful airport. He gave examples of what should be expected, more advanced booking charter flights, and larger planes. Feels that the new rates that some of the airlines are coming out with for direct flights could increase the air traffic for Reno.

There was considerable discussion about the Master Plan and if it would meet the needs of the future for Reno. Mr. Parry complimented the Reno people on the re-evaluation from Burns and McDonald to bring the Master Plan up to date. A question was raised about the bonding capabilities of Reno.

Mr. Bob Oldland felt that the city of Reno was in excellent bonding capacities and could secure any financing they needed to make the necessary expansions. The plan will be done slowly and so the money won't be needed at any one time.

Senator Hilbrecht was concerned since there was so much controversy over whether the Reno International Airport should become an airport authority that possibly the monetary gain was behind their wanting to keep it with the city of Reno.

Mr. Mandeville stated that in Los Angeles they have a reimbursement of one million dollars going back to the city each year. This surplus is due the city as it helped the airport when it needed to be subsidized and now that it earns a profit, a surplus of that profit can be given back to the city. He feels that Reno has subsidized the airport for a long time and when the time comes that over and above the profits that would go back into the airport those surplus funds should be given back to the city.

Mr. Robert Kendro, Finance Director, testified to the committee against the airport authority concept. (See Attachment #8) In response to the cities bonding capabilities and whether or not the city can handle the costs for the improvements, Mr. Kendro stated that since it will take some time to complete the first phase the money will be expended as the work is done. He concluded his testimony by stating that he couldn't see where any agency operating the airport would have any additional funds that the city doesn't have.

There wasn't enough time to permit further testimony and SB-198 would be scheduled again for the committee to look over the reports submitted.

SB-360

Requires more frequent deposits of state money into state treasury.

Chairman informed the committee that the amendments were ready and he went over the changes for the committee.

## MASTER PLAN PRESENTATION

1. AIRPORT HISTORY

- ORIGINAL CONSTRUCTION BY BOEING TRANSPORT, INC. IN 1929 AND ACQUIRED BY UNITED AIRLINES IN 1936.
- THE CITY OF RENO ACQUIRED THE AIRPORT IN 1953 FOR A COST OF \$914,700.
- WESTERN AIRLINES AND BONANZA AIR LINES INITIATED SERVICE IN 1956.
- PACIFIC AIRLINES STARTED SERVICE IN 1962.
- IN 1968 BONANZA, PACIFIC AND WEST COAST AIRLINES MERGED INTO HUGHES AIRWEST.
- NEVADA AIR NATIONAL GUARD LEASED 29 ACRES FROM THE CITY IN 1953.
- IN 1971 THE CUSTOMS FACILITY OPENED AND THE AIRPORT NAME CHANGED FROM RENO MUNICIPAL TO RENO INTERNATIONAL.

2. EXISTING FACILITIES

- RUNWAY 16-34 - 150' X 9,000' WITH 1,000' OVERRUNS ON EACH END. FULLY INSTRUMENTED (ILS) WITH DME, ALS, AND HIGH INTENSITY RUNWAY LIGHTS.
- RUNWAY 7-25 - 150' X 6,105' WITH MEDIUM INTENSITY RUNWAY LIGHTS.
- 75,500 SQ FT PASSENGER TERMINAL WITH 6 AIRCRAFT PARKING POSITIONS (25% LEASED BY AIRLINES); HOLD ROOMS; RENT-A-CAR; RESTAURANT/LOUNGE.
- 540-SPACE PUBLIC PARKING LOT.
- NEW C.F.R. FACILITY AND EQUIPMENT.
- NEW FAA TRACON - ATC TOWER - ARTS II EQUIPMENT
- FAA - FSS - GADO - U.S. WEATHER

3. FUTURE FACILITIES

- ARNOLD THOMPSON & ASSOC. RETAINED IN 1974 AT A COST OF \$117,000 TO EVALUATE AND RECOMMEND AVIATION FACILITY NEEDS THRU FORECAST PERIOD 1975-95.
- SOCIOECONOMIC, INTERNAL AND EXTERNAL CHARACTERISTICS:
  - RENO STANDARD METROPOLITAN STATISTICAL AREA (SMSA)
    - POPULATION IN 1950 - 50,806 - USA 151,871
    - POPULATION IN 1970 - 121,068 - USA 207,976
    - PROJECTED TO 1995 - 185,200 - USA 287,675
- REVIEW OF OTHER PLANS AND DATA COLLECTION FROM USERS AND TENANTS - TO PRODUCE AVIATION

## DEMAND CAPACITY:

- CAPACITY ANALYSES REVEALS THAT EACH SUBSYSTEM, E.G. AIRCRAFT LANDING, PASSENGER PROCESSING, AUTO ARRIVALS AND PARKING, ETC., MAY BE CONSIDERED A QUEUING OPERATION. EACH AIRCRAFT, PASSENGER OR AUTO IS COMPETING FOR A PLACE IN LINE IN ORDER TO COMPLETE ITS DESIRED FUNCTION. THEREFORE, IF TWO SUCH AIRPORT USERS SIMULTANEOUSLY CONFLICT IN THEIR DESIRE TO USE A PARTICULAR RUNWAY, TICKET COUNTER, OR ACCESS ROADWAY, ONE MUST WAIT OR QUEUE, UNTIL THE OTHER HAS COMPLETED ITS OPERATION. IT IS THIS SITUATION OF WAITING WHICH FORMS THE BASIS OF DEFINITION FOR CAPACITY
- RUNWAY SYSTEM DEMAND 590,000 OPS BY 1995
  - EXISTING RUNWAY CAPACITY 90 VFR - 60 IFR  
220,000 ANNUAL WILL OCCUR IN 1981-82
  - PARALLEL RNY ALTERNATES (SEE PAGE 92)

## DEMAND FORECASTS:

PASSENGERS	* PEAK HOUR	SCHEDULED	NON-SCHEDULED	(AIRCRAFT PARKING)	
				SCH	NON-SCH
1974	520	525,843	33,500	6	1
1980	900	950,000	65,000	7	1
1985	1,200	1,300,000	110,000	10	2
1995	1,950	2,200,000	200,000	14	9913

\* NUMBER OF TAX  
EXPECTED TO USE

## DEMAND FORECASTS - CONT'D

TERMINAL BUILDING/PARKING LOT

1974	75,500	540 SPACES
1980	116,000	810 SPACES
1985	115,000	1,075 SPACES
1995	250,000	1,850 SPACES

AIR FREIGHT/CARGO FACILITIES - ADEQUATE TO HANDLE DC-10 AIRCRAFT WITH 23,000 PAYLOAD TO BE DEVELOPED BASED ON ACTUAL REALIZED GROWTH.

## 4. REVIEW LAND ACQUISITION

5. ASSUMPTIONS

- THERE ARE SEVERAL ISSUES WHICH WILL HAVE A SIGNIFICANT IMPACT ON THE GROWTH OF PASSENGER ACTIVITY AT RENO INTERNATIONAL AIRPORT. THESE ISSUES INCLUDE THE DEVELOPMENT OF A MAJOR RESORT COMPLEX, <sup>ADDITIONAL SCHEDULED SERVICES</sup> FUEL SHORTAGES, THE NATIONAL ECONOMY, SERVICE TO SOUTH LAKE TAHOE AIRPORT, AND NONSCHEDULED SERVICE.

- THE ACTIVITY PROJECTIONS UTILIZED IN THIS STUDY ARE BASED ON THE ASSUMPTION THAT THE ATTRACTIVENESS OF THE RENO AIR TRADE AREA WILL INCREASE THROUGHOUT THE FORECAST PERIOD AT A VERY HIGH, YET STEADY, RATE.

IN RECOGNITION OF THE FACT THAT DYNAMIC SHORT-TERM GROWTH MAY BE EXPERIENCED AT DIFFERENT TIMES DURING THE FORECAST PERIOD, THE CONSULTANT PLACES HEAVY WEIGHTING ON THE CRITERION OF FLEXIBILITY IN EVALUATION OF THE DEVELOPMENT ALTERNATIVES.

- FUEL SHORTAGES: RECENT EVENTS HAVE MADE THE FUTURE AVAILABILITY AND COST OF AIRCRAFT FUEL LESS THAN CERTAIN. THE FORECASTS CONTAINED HEREIN ARE BASED ON THE ASSUMPTION THAT IT WILL BE THE COST, NOT THE AVAILABILITY, OF FUEL THAT WILL HAVE THE PREDOMINANT EFFECT ON FUTURE AVIATION ACTIVITY

- NATIONAL ECONOMY: THE CYCLICAL NATURE OF THE U.S. ECONOMY IS EXPECTED TO CONTINUE; HOWEVER, TRAFFIC PROJECTIONS WITHIN THIS STUDY ARE BASED ON THE ASSUMPTION THAT THESE FLUCTUATIONS WILL NOT AFFECT THE LONG-TERM GROWTH OF AVIATION DEMAND.

- SOUTH LAKE TAHOE SERVICE: THE ENPLANED PASSENGER SURVEY INDICATED THAT APPROXIMATELY 20% OF THE PASSENGERS BEGAN THEIR TRIP IN THE SOUTH LAKE TAHOE AREA.
- THE FORECASTS CONTAINED IN THIS STUDY ARE BASED ON THE ASSUMPTION THAT SCHEDULED AIR SERVICE TO SOUTH LAKE TAHOE WILL BE PROVIDED ON AN INCREASING SCALE THROUGHOUT THE FORECAST PERIOD.
- NONSCHEDULED SERVICE (TRAVEL CLUBS AND SUPPLEMENTALS): AS DISCUSSED IN CHAPTER V, HISTORICAL DATA REGARDING CHARTER ACTIVITY WAS RATHER SKETCHY. THE CONSULTANT'S BEST ESTIMATE IS THAT NONSCHEDULED ENPLANEMENTS HAVE HISTORICALLY ACCOUNTED FOR 3% TO 7% OF THE TOTAL. THE FORECASTS HEREIN ARE BASED ON THE ASSUMPTION THAT INCREASED SUPPLEMENTAL ACTIVITY WILL OFFSET DECREASED TRAVEL CLUB OPERATIONS RESULTING IN A CHARTER MARKET SHARE OF 5% TO 10% IN THE FUTURE.
- THIS MODELING WAS OF A CONCEPTUAL NATURE; THE USE OF PRECISE MATHEMATICAL RELATIONSHIPS WAS REJECTED AS THEY WERE NOT DEEMED REFLECTIVE OF THE DYNAMIC NATURE OF RENO'S ECONOMY.

## 6. CONCLUSIONS

1. RENO INTERNATIONAL AIRPORT, AT ITS PRESENT LOCATION, IS CAPABLE OF DEVELOPMENT WHICH WILL ALLOW ITS CONTINUED OPERATION THROUGH THE STUDY PERIOD (1995) AND BEYOND.
2. RESOLUTION OF INCOMPATIBILITIES BETWEEN THE OPERATION OF THE AIRPORT AND LAND USES IN ITS VICINITY IS CRITICAL TO THE FUTURE VIABILITY OF THE FACILITY.
3. IT WILL BE NECESSARY TO INITIATE A COMBINED PROGRAM OF ACQUISITION AND LAND USE MANAGEMENT IN ORDER TO ELIMINATE EXISTING INCOMPATIBILITIES AND TO INSURE FUTURE LAND USE COMPATIBILITY.
4. AIR CARRIER AND MILITARY ACTIVITY IS PROJECTED TO UTILIZE APPROXIMATELY 30% OF RENO INTERNATIONAL AIRPORT'S OPERATIONAL CAPACITY BY 1995. CLOSURE OF THE AIRPORT TO, OR SIGNIFICANT RESTRICTIONS ON, GENERAL AVIATION TRAFFIC 993 WOULD RESULT IN UNDERUTILIZATION OF THE FACILITIES, A

SYSTEM CAPACITY DEFICIENCY, AND SIGNIFICANT INCONVENIENCE TO AN IMPORTANT SEGMENT OF THE AVIATION MARKET.

5. THE EXISTING PASSENGER TERMINAL IS CAPABLE OF BEING EXPANDED IN ITS PRESENT LOCATION. EXPANSION OF THE EXISTING STRUCTURE WOULD BE MORE COST EFFECTIVE, MORE OPERATIONALLY EFFICIENT, AND MORE ENVIRONMENTALLY ACCEPTABLE THAN RELOCATION OF THE FACILITY.
6. THERE IS ADEQUATE AREA AVAILABLE ON THE WEST SIDE OF THE AIRPORT FOR THE EXPANSION OF PASSENGER TERMINAL, AUTOMOBILE PARKING, AND SUPPORT FACILITIES.
7. THE NOISE ENVIRONMENT IN THE VICINITY OF RENO INTERNATIONAL IS NOT EXPECTED TO CHANGE APPRECIABLY DURING THE NEXT 10 YEARS AND TO DECREASE SOMEWHAT AFTER THAT PERIOD.
8. THERE ARE NO SIGNIFICANT OPERATIONAL ADVANTAGES ASSOCIATED WITH AN EXTENSION TO RUNWAY 16-34.
9. THE OPERATIONAL ADVANTAGES ASSOCIATED WITH EXTENDING RUNWAY 7-25 ARE OUTWEIGHED BY THE LOW FREQUENCY OF USE BY AIR CARRIER AIRCRAFT.
10. RENO INTERNATIONAL AIRPORT, WITH PRUDENT MANAGEMENT, IS CAPABLE OF PRODUCING REVENUES TO FINANCE EXISTING AS WELL AS PROPOSED DEBT SERVICE PROGRAMS. THERE WILL ALSO BE SUFFICIENT FUNDS TO MAINTAIN A RESERVE FOR PROTECTION AGAINST UNPREDICTED CONTINGENCIES.

#### 7. RECOMMENDATIONS

1. IMMEDIATE STEPS BE TAKEN TO EXPAND THE BAGGAGE CLAIM AND KITCHEN/RESTAURANT FACILITIES OF THE EXISTING PASSENGER TERMINAL BUILDING.
2. APPROXIMATELY 187 ACRES OF PROPERTY SOUTHWEST, WEST, AND EAST OF RENO INTERNATIONAL BE PURCHASED AND THE RESIDENTIAL USES CHANGED TO THOSE MORE COMPATIBLE WITH THE OPERATION OF THE AIRPORT.
3. APPROXIMATELY 70 ACRES OF VACANT PROPERTY EAST OF THE AIRPORT AND NORTH OF THE BROOKSIDE MUNICIPAL GOLF COURSE BE PURCHASED TO ACCOMMODATE THE DEVELOPMENT OF THE PROPOSED<sup>1</sup> GENERAL AVIATION RUNWAY AND SUPPORT AREA.

4. A GENERAL AVIATION RUNWAY, 5,900 FEET LONG AND 75 FEET WIDE, BE CONSTRUCTED PARALLEL TO AND 100 FEET EAST OF EXISTING RUNWAY 16-34.
5. GENERAL AVIATION ACTIVITY IN THE VICINITY OF THE PASSENGER TERMINAL BUILDING BE ULTIMATELY RELOCATED TO THE EAST SIDE OF THE AIRPORT.
6. THE OPERATION OF THE BROOKSIDE MUNICIPAL GOLF COURSE BE MAINTAINED. THAT PORTION DISRUPTED BY THE DEVELOPMENT OF THE GENERAL AVIATION RUNWAY SHOULD BE REPLACED BY PROPERTY ACQUIRED IN THE APPROACH TO RUNWAY 25.
7. A COMPREHENSIVE LAND USE MANAGEMENT PROGRAM, BASED ON THE GUIDELINES PRESENTED IN CHAPTER XII OF THIS REPORT, BE ADOPTED AND PROMOTED BY THE JOINT AIRPORT ZONING BOARD.
8. THE AIRPORT LEASE POLICY RECOMMENDATIONS PREPARED FOR THE CITY OF RENO BY ARNOLD THOMPSON ASSOCIATES, INC., IN MAY 1974, BE IMPLEMENTED.
9. ALL AIRPORT REVENUE-PRODUCING AREAS BE DEVELOPED TO THE MAXIMUM EXTENT POSSIBLE.



# A. J. Parry Associates, Inc.

AIRPORT PLANNING, FINANCIAL & MANAGEMENT CONSULTANTS

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A. J. PARRY, A.A.E.

President, A. J. Parry and Associates, Inc.

B.S., Air Transportation (Purdue University)

A. J. Parry and Associates, Inc. is a professional consulting firm specializing in all aspects of airport planning, finance and airport management. Mr. Parry has provided the aviation industry consulting services for over 23 years.

Prior to establishing his own firm, Mr. Parry served as Vice President of Arnold Thompson Associates, Inc. and Manager of the firm's West Coast office. His expertise in that capacity included airport administration, fiscal matters, and evaluations of airport/aviation facilities; he also lent valuable assistance in the development of air market analyses and airport physical development programs.

He has assisted with various facets of the Airport Planning and Master Plan Studies for Salt Lake City International Airport, Salt Lake City, Utah; Indianapolis International Airport, Indianapolis, Indiana; Buchanan Field Airport, Contra Costa County, California; Midland Regional Air Terminal, Midland, Texas; Reno International Airport, Reno, Nevada; Mahlon Sweet Field, Eugene, Oregon; and Medford-Jackson County Airport, Medford, Oregon.

Prior to joining the Arnold Thompson firm, Mr. Parry was an Associate with Leigh Fisher Associates, Inc., conducting and assisting with financial feasibility studies for Colorado Springs, Philadelphia, Milwaukee, and other major air traffic centers. He was

involved in general aviation airport systems planning and site selection for the Indianapolis Airport Authority and in air market analyses for various cities in California, Iowa, Ohio and Washington. Also, he participated in long-term regional studies for the east central region of Florida, the State of Arkansas and the island nation of Jamaica.

As a Special Consultant to Far Eastern governments, Mr. Parry worked in conjunction with the United Nations, the Federal Aviation Agency and the Republic of Korea to develop a system of domestic and international airports for the Republic. In this position, he worked with the International Air Transportation Association (IATA), the International Civil Aviation Organization (ICAO) and the local Korean Airlines.

Earlier in his aviation-related career, Mr. Parry was Airport Manager at Dress Memorial Airport, Evansville, Indiana and Assistant Airport Manager at James M. Cox-Dayton Municipal Airport, Dayton, Ohio. He planned for and established extensive capital improvements programs for these airports.

*Memberships:* American Association of Airport Executives  
(accredited airport executive)  
Indiana Airport Officials' Association  
(past president)  
California Association of Airport Executives  
(associate)  
Sigma Alpha Tau (honorary air transportation  
fraternity)

Contra Costa County  
California

Sponsor:  
Contra Costa County, California

Aviation forecasts for Contra Costa County clearly indicated that the County's existing general aviation facilities were inadequate to meet future demands. Alternative programs were developed including the in-depth evaluation and ranking of some twenty-two possible reliever airport sites within the County. Based upon socioeconomic analyses, facility requirements, air space, development costs and environmental considerations, five airport reliever sites were recommended for future study.

The FAA accepted the Site Selection Study and related Environmental Reconnaissance.

Midland Regional Air Terminal  
Midland, Texas

Sponsor:  
City of Midland, Texas

The principal goal of this Airport Master Plan Study was to prepare short-, medium- and long-range plans for the development of the Midland Regional Air Terminal consistent with existing and forecasts demands for air transportation services and facilities as required by the users of the Airport. A major portion of the Study was directed toward the feasibility of expanding the existing air carrier terminal building complex or relocating the facilities to a new area. The FAA Airport Layout Plan set forth a staged program for runway extension, high speed runway exits and perimeter taxiways. An analysis was undertaken as to upgrading principal runways and a cost evaluation as to the continued maintenance and use of a general aviation crosswind runway.

On- and Off-Airport Land Use Plans with recommended land use guidelines were developed. An in-depth financial plan was developed with recommendations as to ways to finance the new or improved airport facilities.

Acceptance by the City of Midland and the FAA of both the Airport Master Plan Study and the Preliminary Environmental Impact Statement was accomplished.

Birmingham Municipal Airport  
Birmingham, Alabama

Sponsor:  
City of Birmingham, Alabama

The Financial Plan for this medium-hub air carrier airport projected short- and long-range income and expenses in such a manner that it could be used as a guide for financial planning to support the thirty-five million dollar improvement plan -- terminal building expansion, upgrading the runway and taxiway system, land acquisition, etc.

The goal of the Financial Plan was to achieve a sound economic policy as to methods of financing improvements as recommended in the Airport Master Plan Study so there would be a minimum burden on local taxpayers.

Greensboro/High Point/Winston-Salem Regional Airport  
Greensboro, North Carolina

Sponsor:  
Greensboro/High Point Airport Authority

In order to provide a systematic Financial Plan for the development of improved air carrier terminal building facilities, parallel runway and related airfield development as recommended in the Airport Master Plan Study, the goal of the Financial Plan was to achieve a sound economic operation while providing an adequate level of public facilities and to achieve a policy of financing improvements with a minimum burden on local taxpayers.

The Financial Analysis evaluated each airport cost area and the Airport as a whole as to existing and new sources of income, refinancing existing debt obligations and a review of existing and projected maintenance and operational expenses.

Sonoma County Airport  
Santa Rosa, California

Sponsor:  
Sonoma County

The Sonoma County Airport Master Plan Study provided for the orderly development of this facility to meet immediate- and long-term aviation demands as determined by aviation activity forecasts.

Priority was given to the construction of a parallel general aviation runway and a support taxiway system. Although Sonoma County Airport is basically a general aviation facility, the FAA Airport Layout Plan suggests runway improvements to accommodate heavier and larger aircraft, if such need should arise.

The On-Airport Land Use Plan emphasizes a logical development of land parcels to meet future general aviation hangar, tie-down, terminal and support facilities.

Off-Airport Land Use Plans and related policies were developed in such a manner that they could be incorporated into the County's overall Land Use Plan.

Acceptance by Sonoma County and the FAA of this Airport Master Plan Study was accomplished.

Modesto City/County Airport  
Modesto, California

Sponsor:  
City of Modesto, California

The Master Plan Study for the Modesto City/County Airport provided a comprehensive On-Airport Land Use Plan which encompassed the maximum use of existing surplus military facilities with specific recommendations as to immediate and long-term requirements of general aviation storage and service facilities and compatibility with proposed adjacent land to be used for recreational purposes. A major portion of the Study was directed toward the feasibility of expanding the existing air carrier terminal building complex or relocating the facilities to a new area. The Financial Plan analyzed historical and projected maintenance and operational expenses with recommendations as to future financing of airport improvements.

Acceptance by the City of Modesto and the FAA of both the Airport Master Plan Study and the environmental considerations was accomplished.



Klamath Falls Municipal Airport (Kingsley Field)  
Klamath Falls, Oregon

Sponsor:  
City of Klamath Falls, Oregon

The Study of the Klamath Falls Municipal Airport resulted in an updated Airport Master Plan covering a twenty year period. At a considerable savings in maintenance costs to the City, it was determined from a weather analysis that the general aviation crosswind runway and related taxiway was not required. Aviation activity forecasts which were reflected as facility requirements on the FAA type Airport Layout Plan provided for a parallel taxiway, a holding apron and the staging of general aviation storage and support facilities.

The Off-Airport Land Use Plan recommended runway approach easements, rezoning of land parcels and joint City-County zoning ordinances.

As a result of the in-depth Airport Financial Plan, the County now assists the City financially toward the continued operation and improvement of the Airport.

Acceptance by the City of Klamath Falls and the FAA of both the Airport Master Plan Study and the Environmental Assessment was accomplished.

Medford-Jackson County Airport  
Medford, Oregon

Sponsor:  
Jackson County, Oregon

The Land Use Study provided Jackson County with a plan and recommendations toward land use compatibility between the Medford-Jackson County Airport and the land in its vicinity. Consideration was given to land use data, existing and future airport activity as well as future airport improvements that would effect land use.

The Study provided environmental impact assessments, estimated costs for an acquisition program, Noise Exposure Forecasts along with recommendations as to proper zoning, aeronautical easements and noise abatement procedures.

Acceptance by Jackson County and the FAA of the Land Use Study and Environmental Impact Assessment was accomplished.

Mahlon Sweet Field  
Eugene, Oregon

Sponsor:  
City of Eugene, Oregon

The major goal of the Mahlon Sweet Field Airport Master Plan Study was to properly plan for the use of land within the Airport proper and to provide policy guidelines regarding future land uses of on-airport areas affected by aircraft operations and obstruction clearance criteria as required by the FAA. These guidelines provided the basis for implementation, by appropriate jurisdictions, building and housing codes for noise attention. Specific recommendations were made as to a new general aviation runway to meet long-term capacity problems, airline terminal building expansion, land acquisition and upgrading of the existing runway and taxiway system to accommodate larger air carrier aircraft.

The Mahlon Sweet Field Airport Master Plan Study was the first such study completed for a West Coast air carrier airport under FAA's Planning Grant Program. This study was accepted by the City of Eugene and the FAA.

Indianapolis International Airport  
Indianapolis, Indiana

Sponsor:  
Indianapolis Airport Authority, Indiana

As a result of updated aviation demand forecasts, airfield capacity analyses and other considerations, the Airport Master Plan Study recommended a fifty-four million dollar improvement program for this medium-hub air carrier airport. The staging of the FAA Airport Layout Plan insured an orderly development of the terminal building complex through land acquisitions and apron improvements as well as the airfield area by adding to and improving the existing runway and taxiway systems.

An in-depth financial plan was developed to insure the Authority of a sound method of financing the improvements.

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Reno International Airport  
Reno, Nevada

Sponsor:  
City of Reno, Nevada

The Study of the Reno International Airport included a comprehensive Airport Master Plan of a small-hub air carrier airport. The FAA Airport Layout Plan placed emphasis upon the expansion of existing terminal building facilities, vicinity land use patterns as well as On-Airport Land Use Plan involving general aviation storage and support facilities, military, etc.

An in-depth financial analysis was made with specific recommendations as to methods of financing airport improvements.

Acceptance by the City of Reno and the FAA of both the Airport Master Plan Study and the Environmental Report was accomplished.

Reno/Stead Airport  
Reno, Nevada

Sponsor:  
City of Reno, Nevada

This Airport Master Plan Study of Reno/Stead Airport, a general aviation facility, provided the City with a comprehensive On-Airport Land Use Plan which encompassed the maximum use of existing surplus military facilities with specific recommendations as to immediate- and long-term requirements for runways, taxiways, hangars and surplus buildings. Consideration was given to such requirements based upon the influence of nearby Reno International Airport and adjacent off-airport aviation and non aviation industrial/commercial development.

Acceptance by the City of Reno and the FAA of both the Airport Master Plan Study and the Environmental Report was accomplished.

Imperial County Airport  
Imperial, California

Sponsor:  
Imperial County, California

The Airport Master Plan Study for the Imperial County Airport contained an extensive analysis as to the joint-use of the nearby Naval Air Facility at El Centro, California in lieu of implementing certain improvements to the existing Imperial County Airport. The Plan recommended the continued development of County facilities based upon a new general aviation crosswind runway, the widening of the principal runway to accommodate air carrier activity and the acquisition of property for the protection of runway approaches. The planning was based upon the use of the military airport only at alternate times when activity is occasionally restricted at the County Airport.

Acceptance by Imperial County and the FAA of both Airport Master Plan Study and Preliminary Environmental Impact Statement was accomplished.

San Carlos Airport  
San Carlos, California

Sponsor:  
San Mateo County, California

The major emphasis of this study dealt with upgrading aviation activity demand forecasts for San Mateo County and determining from such data the future facility requirements of the Countys' System of Airports. The On-Airport Land Use Plan for the San Carlos Airport recommended some nine million dollars of airport improvements - transit and permanent tie-downs, general aviation support areas, runway extension and land acquisitions. Consideration was given to the environmental impact of such development on adjacent land parcels.

An in-depth Financial Plan for California's tenth busiest general aviation airport recommended an orderly procedure to insure maximum income from airport users to support the financing of immediate- as well as long-term improvements.



Half Moon Bay Airport  
Half Moon Bay, California

Sponsor:  
San Mateo County, California

Based upon the general aviation demand forecasts developed for San Mateo Countys' System of Airports, the Airport Master Plan Study for Half Moon Bay Airport provided for an On-Airport Land Use Plan which recommended apron and runway improvements, taxiways, lighting, aircraft storage and service facilities, etc. Consideration was given to compatibility and environmental impact on existing and future adjacent land parcels.

The Financial Plan provided methods of minimizing the Airport's operational loss in order to put a minimum financial burden on the County.

Buchanan Field Airport  
Concord, California

Sponsor:  
Contra Costa County, California

The Buchanan Field Airport Master Plan Study for the fifth most active general aviation facility in California (the twenty-second busiest in the U. S.) dealt primarily with recommendations as to the most efficient use of minimum on-airport acreage to meet future aviation demands. Consideration was given to airfield capacity problems, additional storage and service areas to accommodate a high population of based aircraft and transit activity. The FAA Airport Layout Plan provided the County with a guide for orderly and progressive development of the Airport and to insure that the facility will continue to be an important segment of the San Francisco Bay Area transportation system.

Special attention was given to the Financial Plan and the future Airport Lease Policy which could be used to support recommended improvements and provide a self-sufficient airport with minimum burden to local taxpayers.

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Winnemucca Municipal Airport  
Winnemucca, Nevada

Sponsor:  
City of Winnemucca, Nevada

The Airport Master Plan Study of Winnemucca's general aviation airport provided the City with an On-Airport Land Use Plan which emphasized the maximum and efficient use of existing surplus facilities. Special consideration was given to cross-wind runway requirements.

Acceptance by the City of Winnemucca and the FAA of the Airport Master Plan Study and the Environmental Assessment Report was accomplished.

A. J. PARRY AND ASSOCIATES, INC.

Selected Types of Airport Management & Financial Studies  
Provided by A. J. Parry and Associates, Inc.

1. TENANT NEGOTIATIONS

- o Field analysis*
- o Financial analysis to determine airport users fees and charges based on historical and projected income and expenses*
- o Preparation of negotiations documents and support material*
- o Establish negotiating procedures*
- o Participate in negotiations*

2. WORKING DRAFT OF USER AGREEMENTS AND CONTRACTS

- o Field analysis and inventory*
- o Financial analysis*
- o Provide draft of airport user agreements based upon current terms and conditions as accepted throughout the industry*
- o Review draft agreements with local counsel*
- o Participate in conferences*

3. LEASE AND CONTRACT APPRAISALS

- o Review of current airport agreements and contracts with consideration given to:*
  - Term*
  - Options*
  - Privileges granted*
  - Financial basis*
  - Obligation of lessee and lessor*
  - Other covenants*
  - Amendments*
  - Other*

- o Recommendations as to changes in existing contractual agreements to insure maximum revenues to the airport owner
- o Based upon the review, provide recommendations that can be used as a guide for future negotiations and preparation of airport user agreements
- o Participate in conferences

#### 4. AIRPORT LEASE POLICY RECOMMENDATIONS

- o Provide an overall airport lease policy document for all types of airport users with consideration given to:
  - Privileges and rights
  - Term
  - Rates and charges
  - Maintenance and operational obligations
  - Insurance
  - Private development
  - Standards
  - Title to property
  - Subleasing
  - Other
- o Participate in conferences

#### 5. AIRPORT FINANCIAL FEASIBILITY ANALYSIS

- o Provide a financial study to determine by cost areas and the airport as a whole as to financial requirements to meet existing and projected maintenance, operational and capital improvement expenses
- o Provide future financial data as to what degree each major cost area and the airport as a whole will or will not be self sufficient
- o Provide recommendations as to a policy to improve airport revenues and reduce expenses
- o Participate in conferences

6. AIRPORT FINANCIAL PLANS - FAA PLANNING GRANT PROGRAM

- o Analysis of historical financial data*
- o Financial projections to determine the airport sponsors ability to finance new improvements*
- o Recommend methods of financing*
- o Field analysis*
- o Bond prospectus*
- o Participate in conferences*

Airport Studies Which A. J. Parry Has Participated  
In Under Present Or Previous Practice

<b>ALABAMA</b> Birmingham Municipal Airport (2,10)	<b>IOWA</b> Sioux City Municipal Airport (1,6,9,10)	<b>OREGON</b> Klamath Falls Municipal Airport (1,2) Mahlon Sweet Field-Eugene (1,2,6,7,8,10,12) Medford-Jackson County Airport (2,6,7,8,11,12)
<b>ARKANSAS</b> Little Rock Municipal Airport (12) State of Arkansas (5) Grider Field-Pine Bluff (1)	<b>KANSAS</b> Mid-Continent Airport-Wichita (1)	<b>PENNSYLVANIA</b> Philadelphia Int'l Airport (10)
<b>CALIFORNIA</b> Buchanan Field Airport-Concord (1,2,3,6,9,10) Contra Costa County (2,4) Half Moon Bay Airport (1,2,10) Imperial County Airport (1,2) Lompoc Airport (1) Marin County (4) Modesto City/County Airport (1,2) Paso Robles Municipal Airport (1) Sacramento Metropolitan Airport (1) Salinas Municipal Airport (1) San Carlos Airport (1,2,10) San Francisco Int'l Airport (10) San Jose Municipal Airport (1,5,12) Santa Barbara Airport (1) Sonoma County Airport (1,2) Truckee-Tahoe Airport (1) Watsonville Municipal Airport (1)	<b>LOUISIANA</b> Baton Rouge Airport District (4,10) Ryan Airport-Baton Rouge (1)	<b>TENNESSEE</b> Memphis Int'l Airport (12)
<b>COLORADO</b> Peterson Field-Colorado Springs (10,12)	<b>MICHIGAN</b> Bishop Airport-Flint (3) Oakland County (4)	<b>TEXAS</b> Abilene Municipal Airport (1,9,10) El Paso Int'l Airport (12) Lubbock Regional Airport (1,6,8,12) Midland Regional Air Terminal (1,2,3,6,7,8)
<b>FLORIDA</b> East Central Florida (5) Tallahassee Municipal Airport (6,7,8)	<b>MINNESOTA</b> Duluth Int'l Airport (1,12)	<b>UTAH</b> Salt Lake City Int'l Airport (1,6,7,8,9,10,12)
<b>ILLINOIS</b> Greater Peoria Airport (1,3) Proposed St. Louis Int'l Airport-Columbia (10,12)	<b>MISSOURI</b> Kansas City Municipal Airport (10,12) Springfield Municipal Airport (6,7,8)	<b>VIRGINIA</b> Patrick Henry Int'l Airport-Newport News (10,12) Richard Evelyn Byrd Int'l Airport (2,10)
<b>INDIANA</b> Hulman Field Airport-Terre Haute (6,7) Indianapolis Int'l Airport (1,2,4,5,6,7,9,10,12)	<b>NEVADA</b> Reno Int'l Airport (1,2,3,6,7,8,9) Reno/Stead Airport (1,2)	<b>WASHINGTON</b> Pearson Airpark-Vancouver (1) Seattle-Tacoma Int'l Airport (10)
	<b>NEW YORK</b> Syracuse Hancock Int'l Airport (1,3)	<b>WISCONSIN</b> General Mitchell Field-Milwaukee (10,12)
	<b>NORTH CAROLINA</b> Douglas Municipal Airport-Charlotte (6,12) Greensboro/High Point/Winston-Salem Regional Airport (2,10)	<b>JAMAICA</b> Montego Int'l Airport (1,10) Palisades Int'l Airport (1,10) Government of Jamaica (5)
	<b>OHIO</b> Akron Municipal Airport (1,9,10) Port Columbus Int'l Airport (10) Toledo Express Airport (1,9,10)	<b>SOUTH KOREA</b> Kimpo Int'l Airport (1,12) Republic of Korea (5,12)
	<b>OKLAHOMA</b> Max Westheimer Field-Norman (1)	

ACTIVITY KEY

Airport Master Plans	(1)	Airport Users Negotiations	(7)
FAA Planning Grant Programs	(2)	Draft Leases	(8)
Terminal Building Studies	(3)	Lease Appraisals & Policies	(9)
Airport Site Selection Studies	(4)	Financial Studies	(10)
Airport System Studies	(5)	Airport Land Use Studies	(11)
Rates & Charges Studies	(6)	General Consulting Services	(12)

A. J. PARRY AND ASSOCIATES, INC.

AIRPORT PLANNING, FINANCIAL &amp; MANAGEMENT CONSULTANTS

## A. J. PARRY AND ASSOCIATES, INC.

Recent Airport Management & Financial Studies  
Provided Under Present or Previous Practice

Client	(1) Tenant Negotiations	(2) Working Draft of User Agreements & Contracts	(3) Lease & Contract Appraisals	(4) Airport Lease Policy Recommendations	(5) Airport Financial Feasibility Analysis	(6) Financial Plans - FAA Planning Grant Program
Birmingham Municipal Airport Birmingham, Alabama						●
Buchanan Field Airport Concord, California			●	●		●
Half Moon Bay Airport Half Moon Bay, California						●
Imperial County Airport Imperial, California						●
San Carlos Airport San Carlos, California						●
Sonoma County Airport Santa Rosa, California						●
Tallahassee Municipal Airport Tallahassee, Florida	●	●				
Indianapolis Int'l Airport Indianapolis, Indiana	●	●		●	●	●
Hulman Field Airport Terre Haute, Indiana	●					
Springfield Municipal Airport Springfield, Missouri	●	●				●
Reno Int'l Airport Reno, Nevada	●	●	●	●		●
Reno/Stead Airport Reno, Nevada						●
Greensboro/High Point Airport Greensboro, North Carolina						●
Douglas Municipal Airport Charlotte, North Carolina	●					
Mahlon Sweet Field Eugene, Oregon	●	●			●	●
Medford-Jackson County Airport Medford, Oregon	●	●				
Midland Regional Air Terminal Midland, Texas	●	●				●
Lubbock Regional Airport Lubbock, Texas	●	●				
Salt Lake City Int'l Airport Salt Lake City, Utah	●	●	●	●	●	
General Mitchell Field Milwaukee, Wisconsin					●	



CITY OF RENO

Inter-Office Memo

122

Committee on Government Affairs

March 30, 1977

From: Robert L. Kendro, Finance Director

Subject: City of Reno's Ability to Finance its proposed  
Master Plan for Capital Improvements at the Reno  
International and Reno Stead Airports

By virtue of the fact that the City has successfully negotiated "lease" and "landing fee" agreements with the air carriers servicing the airport, the funding requirements for the capital improvements as outlined in the Master Plan are assured.

Copies of both the "Master Plan" and a "landing fee agreement" have been made available to the Committee on Government Affairs.

The following may be noted from the landing fee agreement with United Airlines.

1. Article V, Section 5.01 - Term

The term of the agreement is for eleven years commencing July 1, 1975, and terminating June 30, 1986. The time frame for Stages I and II of the Master Plan is concurrent with the term of the lease.

2. Article VI, Section 6.01 - Fee

This article states that the fees payable to the City shall be based on reimbursement for the City's actual expenditures which include repayment of the long-term debt pursuant to the Attachments "A", "B", "C" and "D". These attachments include, but are not limited to, 100% of the debt service required to complete the Master Plan through 1985.

3. Attachment "C"

The Master Plan is recapped in this section, and it is stated in 1975 dollars. However, Item 4 in the same attachment indicates that the City's costs are subject to adjustment for changes in construction costs due to inflation.

It may be noted that of the \$21,137,000 estimated total (in 1975 dollars) for Stages I and II, the federal share is estimated to be \$16,955,000 while the City's share will be \$4,182,000.

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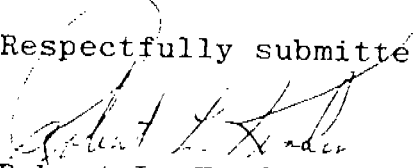
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Committee on Government Affairs  
March 30, 1977  
Page 2

It has been suggested that the City might "siphon" off revenues for other than airport uses. The second paragraph of Attachment "A" of the landing fee agreement clearly states that this is not possible. The City would not divert funds due to the "enterprise" system of accounting. The "landing fee" agreements are based upon this principle. The airlines are the major contributors to the airport. The City negotiates with them pursuant to the terms of the leases. The involvement of their accountants and legal staffs with the City and its records would preclude the possibility of such occurrences.

The City submits to the Committee that it is able to implement the designated improvements at its airports and does indeed have the ongoing financial expertise to do so. It may be further noted that these plans do not include the use of any ad valorem tax revenues but instead the airports will continue to be operated and managed on a self-supporting basis.

Respectfully submitted,

  
Robert L. Kendro  
Finance Director

RLK:pr

SENATE  
GOVERNMENT AFFAIRS COMMITTEE

Minutes of Meeting - April 11, 1977

Present:

Chairman Gibson  
Senator Foote  
Senator Gojack  
Senator Hilbrecht  
Senator Raggio  
Senator Schofield

Also Present: See Attached Guest Register

Chairman Gibson opened the thirty-second meeting of the Government Affairs Committee at 1:40 p.m. with a quorum present at that time.

SB-333

Sets out additional requirements for public meetings.  
(BDR 19-858)

Heber Hardy, Public Service Commission, testified against this bill. Mr. Hardy had a written testimony that had been distributed to committee members earlier and he proceeded to read this to the committee (See Attachment #1) Mr. Hardy concluded by stating that the only portion of the bill that they were against was in the first section, page 1, line 7. They felt that this language prohibited them from having a meeting of two people due to the definition of a quorum. With this deleted they would have no objections to the bill.

John DeGraff, Judicial Planner from the Judicial Planning Unit of the Supreme Court of Nevada, testified against the bill in its present form. Mr. DeGraff offered amendment suggestions to the committee. (See Attachment #2)

George Bennett, Secretary of State Board of Pharmacy, had a suggested amendment that would make the bill more workable for them. In Section 3, subsection 1 they would like to add "if available" after "year". We have many meetings planned but are not always aware of the dates and this change would make us comply with the new laws.

John Hawkins, Superintendent of Schools in Carson City, testified on the bill and they suggested that they be allowed to have a meeting where matters that have recently come up can be taken care of. They feel that there are many things that come up which wouldn't be on the agenda that need to be taken care of and want the language more broadly defined for this purpose.

SB-443

Requires zoning changes to fit population plan. (BDR 22-1549)

Pam Wilcox, interested citizen from Lemmen Valley and member of the Lemmen Valley Improvement Association, testified on this bill stating that she worked on changes of this nature 2 years ago and felt that since they didn't cover everything these two additional bills have been drafted to cover what they missed.

for the reasons of illness. They also wanted to write in the agreement that it would be by ordinance only.

Senators Raggio and Hilbrecht wanted the records to reflect that their law firms represent groups that would be affected by this legislation. The committee felt that since it would only affect counties that they need not disenfranchise their votes.

Motion to "Amend and Do Pass" by Senator Hilbrecht, seconded by Senator Faiss. Motion carried unanimously.

**SB-101**

Provides for collective bargaining agreement on annual and sick leave for county officers and employees and provides for extended use of sick leave credits.

Motion to "Indefinitely Postpone" by Senator Gojack, seconded by Senator Schofield. Motion carried unanimously.

**SB-169**

Entitles employees under State Personnel System to receive payment or retirement service credit for portion of unused sick leave.  
(BDR 23-45)

Chairman Gibson stated that he had received a letter from Mr. Wittenberg responding to the question asked in a meeting on this bill on March 21, 1977 (Meeting #21) regarding the fiscal impact if this legislation had been in effect. Chairman noted the following from his letter. "In searching records regarding the actual sick leave accrual as well as the actual hourly rate for each state employee who retired or died during calendar year 1976, we have calculated an annual cost of \$174,733. vs. our estimated \$190,000. annual cost. The largest amount paid to a retiree would have been \$11,800., the smallest amount would have been \$113.00. The average payment for those having balances in excess of 240 hours would have been \$3,717. There were a total of 142 deaths and retirements in 1976. 45 of these employees had a zero balance after the 240 hour deduction, 50 had a zero balance at the time of retirement. This leaves a total of 47 employees who would have been paid for sick leave."

The committee discussed the fiscal impact and Senator Gojack suggested that the bill be amended to delete Section 2 from the bill. This made the bill more acceptable to the committee.

Motion to "Amend and Re-refer to Finance" by Sen. Gojack, seconded by Senator Raggio. Motion carried unanimously.

**SB-198**

Creates Washoe County Airport Authority. (BDR S-847)

Senator Raggio had some further amendment suggestions for the committee to consider. (See Attachment #6). He also brought to the committee's attention the letter from Mr. Kendro. (See Attachment #7)

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Senator Raggio went over the purposes of the bill as he felt that it would be wise to review the intent again. He felt that the bill would insure that the proper handling for the future of the airport could be assured with an authority. It would also take away the political air that the city counsel running the airport would have.

Senator Gojack stated that even though the city is facing much pressure regarding the authority concept they still aren't doing all they could for the future development of the airport.

Senator Foote indicated that the bill did not come from the Majority report. The people of Reno haven't come asking that the airport become an authority. She concluded by stating that after serving as chairperson on the committee for this study she still doesn't believe we need an authority or that they will do anything that the city of Reno hasn't done.

Senator Schofield felt that the people of Reno shouldn't have the burden of the airport, its financial backing or the responsibility for the entire area.

Senator Foote reminded the committee that the people on the committee to run the airport would only receive \$100. per month so they would also have to have other interests and professions.

Chairman Gibson felt that he has never seen an instance where the legislature has taken something away from an entity without justification. He felt that the Reno airport with its Master Plan seemed to be handling the situation and didn't feel that it should be taken away from them.

It was suggested that Section 10, subsection 7 also be amended to have the approval of the Board of County Commissioners.

Motion to "Amend and Do Pass" by Senator Schofield, seconded by Senator Raggio. Voting went as follows: Yea's Senators Schofield, Raggio, Hilbrecht, Faiss and Gojack. Na's Senators Foote and Gibson. Motion carried. (See Attachment #6 for the amendments)

SB-347

Requires local government budgets to be prepared using line-item method and to reflect actual current expenditures.(BDR 31-1058)

Motion to "Indefinitely Postpone" by Senator Hilbrecht, seconded by Senator Faiss. Motion carried unanimously. Senator Hilbrecht wanted the records to reflect that the bill had problems and it was too late in the session to work on the alternatives and as sponsor felt that it would be better to postpone this bill.

SB-351

Creates State Ethics Commission and provides procedures and ethical rules to govern conduct of elective public officers other than judicial.(BDR 23-1076)

## ASSEMBLY ACTION

## SENATE ACTION

## SENATE AMENDMENT BLANK

126

Adopted ☐  
 Lost ☐  
 Date: ☐  
 Initial: ☐  
 Concurred in ☐  
 Not concurred in ☐  
 Date: ☐  
 Initial: ☐

Adopted ☐  
 Lost ☐  
 Date: ☐  
 Initial: ☐  
 Concurred in ☐  
 Not concurred in ☐  
 Date: ☐  
 Initial: ☐

Amendments to ~~ASSEMBLY~~ / SenateBill / ~~XXXXXXXXXXXX~~ No. 198 (BDR S-847)Proposed by Committee on Government Affairs1977 Amendment N<sup>o</sup> 89

Replaces Amendment No. 403A.

Amend section 5, page 3, line 4, delete "comprised of five" and insert "composed of seven".

Amend section 5, page 3, line 5, delete "two" and insert "four".

Amend section 12, page 5, line 15, insert:

", subject to the approval of the board of county commissioners of Washoe County," after "board".

Amend section 13, page 5, line 23, insert:

", subject to the approval of the board of county commissioners of Washoe County," after "shall".

Amend section 14, page 5, line 49, insert:

", with the approval of the board of county commissioners of Washoe County," after "make".

Amend section 17, page 6, line 21, insert:

", with the approval of the board of county commissioners of Washoe County," after "may".

Amend section 20, page 6, line 39, delete "four trustees," and insert:

"five trustees and with the approval of the board of county commissioners of Washoe County,".

Amend section 21, page 7, delete lines 1 through 4 and insert:

"of the authority and the public interest or necessity demand the crea-".

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## CITY OF RENO

POST OFFICE BOX 1800  
RENO, NEVADA 89505

April 5, 1977

Committee on Government Affairs

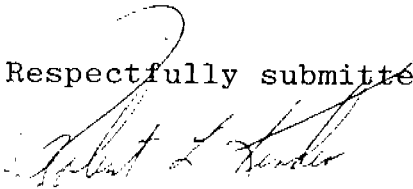
Mr. Chairman and Honorable Members:

Attached are copies of the bond schedules from the City of Reno 1977-78 budget. They reflect that if the City sells \$3,000,000 of storm drain bonds it will have \$24,620,000 in outstanding bonds on July 1, 1977.

The maximum bond indebtedness the City could incur is \$89,617,608. This amount is 15% of \$597,450,722 (taxable property assessed valuation).

The 15% limit is set by Section 7.010 of the Reno City Charter.

Respectfully submitted,

  
Robert L. Kendro  
Finance DirectorRLK:ACM:pr  
Attachments

2137

7

*Mr. President:*

Your Committee on Taxation, to which was referred Senate Bill No. 241, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

RICHARD H. BRYAN, *Chairman*

*Mr. President:*

Your Committee on Judiciary, to which was referred Assembly Bill No. 469, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

MELVIN D. CLOSE, JR., *Chairman*

*Mr. President:*

Your Committee on Transportation, to which was referred Senate Bill No. 447, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

RICHARD E. BLAKEMORE, *Chairman*

*Mr. President:*

Your Committee on Human Resources and Facilities, to which was referred Assembly Bill No. 400, has had the same under consideration, and begs leave to report the same back with the recommendation: Do pass.

JACK L. SCHOFIELD, *Chairman*

#### MESSAGES FROM THE ASSEMBLY

ASSEMBLY CHAMBER, Carson City, April 12, 1977

*To the Honorable the Senate:*

I have the honor to inform your honorable body that the Assembly on this day adopted Senate Concurrent Resolution No. 11.

Also, I have the honor to inform your honorable body that the Assembly on this day adopted Assembly Concurrent Resolution No. 25.

Also, I have the honor to inform your honorable body that the Assembly on this day passed Assembly Bills Nos. 426, 521, 533, 551, 552, 575, 576, 578, 579.

Also, I have the honor to inform your honorable body that the Assembly on this day passed, as amended, Assembly Bills, Nos. 21, 239, 526, 550.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to concur in the Senate amendment to Assembly Bill No. 199.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully refused to recede from its action on Senate Bill No. 14 and requests a conference, and appointed Assemblymen Mello, Bremner and Howard as the Committee on Conference to meet with a like committee of the Senate.

Also, I have the honor to inform your honorable body that the Assembly on this day respectfully receded from its action on Senate Bill No. 171.

Also, I have the honor to inform your honorable body that the Assembly on this day concurred in the Senate amendments to Assembly Bills Nos. 17, 36, 214, 219, 226, 288.

CAROL L. MOORE

*Assistant Chief Clerk of the Assembly*

#### SECOND READING AND AMENDMENT

Senate Bill No. 198

Bill read second time.

The following amendments were proposed by the Committee on Government Affairs:

1977 Amendment No. 89.

Amend sec. 5, page 3, line 4, by deleting "comprised of five" and inserting: "composed of seven".



Amend sec. 5, page 3, line 5, by deleting "two" and inserting "four".

Amend sec. 12, page 5, line 15, by inserting: ", subject to the approval of the board of county commissioners of Washoe County," after "board".

Amend sec. 13, page 5, line 23, by inserting: ", subject to the approval of the board of county commissioners of Washoe County," after "shall".

Amend sec. 14, page 5, line 49, by inserting: ", with the approval of the board of county commissioners of Washoe County," after "make".

Amend sec. 17, page 6, line 21, by inserting: ", with the approval of the board of county commissioners of Washoe County," after "may".

Amend sec. 20, page 6, line 39, by deleting "four trustees," and inserting: "five trustees and with the approval of the board of county commissioners of Washoe County,".

Amend sec. 21, page 7, by deleting lines 1 through 4 and inserting: "of the authority and the public interest or necessity demand the crea-".

1977 Amendment No. 787A.

Amend sec. 10, page 4, line 21, by deleting "Exercise" and inserting: "With the approval of the board of county commissioners of Washoe County, exercise".

Senator Raggio moved the adoption of the amendments.

Remarks by Senators Raggio, Hernstadt and Foote.

Amendments adopted.

Bill ordered reprinted, engrossed and to third reading.

Senate Bill No. 322.

Bill read second time.

The following amendment was proposed by the Committee on Human Resources and Facilities:

1977 Amendment No. 750A.

Amend the bill as a whole by inserting a new section, to be designated as section 1, preceding section 1, to read:

"Section 1. Chapter 444 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act."

Amend the bill as a whole by renumbering section 1 as section 2.

Amend section 1, page 1, by deleting lines 1 and 2.

Amend section 1, page 1, line 3, by inserting: "Sec. 2." before "1."

Amend section 1, page 1, by deleting line 15 and inserting:

*"3. The city or county, acting through its building department or public works department, if any, shall adopt and enforce regulations to enforce the restric-".*

Amend the bill as a whole by inserting a new section, to be designated as section 3, following section 1, to read:

*"Sec. 3. 1. Except as provided in subsection 2, no shower apparatus may be installed after July 1, 1978:*

*(a) In any new hotel, motel, apartment house or dwelling; or*

*(b) As part of an addition to or renovation of any hotel, motel, apartment house or dwelling,*

*if the apparatus uses more than 4 gallons of water per minute.*

*2. A shower apparatus which uses more than 4 gallons of water per minute may be installed if it is equipped with a device to reduce water consumption to 4 gallons of water or less per minute.*

SENATE BILL NO. 198—SENATORS RAGGIO,  
YOUNG, WILSON AND GOJACK

FEBRUARY 9, 1977

Referred to Committee on Government Affairs

SUMMARY—Creates Washoe County Airport Authority. (BDR S-847)

FISCAL NOTE: Local Government Impact: No.  
State or Industrial Insurance Impact: No.



EXPLANATION—Matter in *italics* is new; matter in brackets [ ] is material to be omitted.

AN ACT creating the Washoe County Airport Authority; making legislative findings and declarations; defining certain words and terms; providing for the appointment, number, terms, compensation, duties and powers of a board of trustees; specifying the powers of the authority, including the power to levy and collect general (ad valorem) taxes, borrow money and issue securities to evidence such borrowing; requiring the transfer of airport properties, functions and outstanding obligations of the City of Reno to the authority; and providing other matters properly relating thereto.

*The People of the State of Nevada, represented in Senate and Assembly,  
do enact as follows:*

- 1 SECTION 1. This act may be cited as the Washoe County Airport  
2 Authority Act.
- 3 SEC. 2. 1. The legislature finds that:
- 4 (a) The airport of the City of Reno has traditionally been operated by  
5 the city as a municipal function and originally served primarily the city  
6 residents.
- 7 (b) With the development of multiple contiguous communities, subur-  
8 ban living and rapid increases in recreational pursuits by the traveling pub-  
9 lic, the airport of the City of Reno is now serving the inhabitants of a large  
10 geographical area and ever-increasing numbers of tourists.
- 11 (c) What was once a municipal airport in both name and fact is now  
12 a regional airport.
- 13 (d) The financial problems of the airport have become more complex  
14 and administrative activities are required to be more responsive to the  
15 community at large and the directly paying airport tenants and users.
- 16 (e) The City of Reno is unable to operate the airport effectively within  
17 the traditional framework of local government, evidencing the need to  
18 create a special governmental corporation to provide specific facilities  
19 and services to the public.
- 20 (f) Development of the modern airport requires the expenditure of

1 vast sums of money for land acquisitions and capital improvements not  
2 available to the City of Reno through the issuance of municipal securities  
3 secured by general obligation tax receipts.

4 (g) Because of special circumstances and conditions a general law  
5 cannot be made applicable, and this special act will allow the tax burden  
6 to spread over Washoe County rather than coming to rest solely upon  
7 the principal municipality of Washoe County.

8 (h) This act will accommodate the expanding urban population  
9 patterns, provide adequate funding and establish the administrative  
10 machinery necessary to insure adequate air service to the region.

11 2. It is hereby declared as a matter of legislative determination that:

12 (a) The organization of the Washoe County Airport Authority having  
13 the purposes, powers, rights, privileges and immunities provided in this  
14 act will serve a public use and will promote the general welfare by facili-  
15 tating safe and convenient air travel and transport to and from the Reno  
16 area.

17 (b) The acquisition, operation and financing of airports and related  
18 facilities by the Washoe County Airport Authority is for a public and  
19 governmental purpose and a matter of public necessity.

20 (c) The Washoe County Airport Authority is a body corporate and  
21 politic and a quasi-municipal corporation, the geographical boundaries  
22 of which are coterminous with the boundaries of Washoe County.

23 (d) For the accomplishment of the purposes stated in this subsection,  
24 the provisions of this act shall be broadly construed.

25 SEC. 3. As used in this act the following words or phrases are defined  
26 as follows:

27 1. "Airport" means any one or more airports or heliports and related  
28 facilities, including but not limited to land and interests in land, facilities  
29 for storage of air and space craft, navigation and landing aids, taxiways,  
30 pads, aprons, control towers, passenger and cargo terminal buildings,  
31 hangars, administration and office buildings, garages, parking lots and  
32 such other structures, facilities and improvements as are necessary or  
33 convenient to the development and maintenance of airports and heliports  
34 and for the promotion and accommodation of air and space travel, com-  
35 merce and navigation.

36 2. "Authority" means the Washoe County Airport Authority created  
37 pursuant to the provisions of this act.

38 3. "Board of trustees" and "board" each means the board of trustees  
39 of the authority.

40 4. "Carrier" means any person or corporation engaged in the air or  
41 space transportation of passengers or cargo.

42 5. "City of Reno" means the municipal corporation in Washoe  
43 County, Nevada, created and existing pursuant to the provisions of chap-  
44 ter 662, Statutes of Nevada 1971, as amended.

45 6. "City of Sparks" means the municipal corporation in Washoe  
46 County, Nevada, created and existing pursuant to the provisions of chap-  
47 ter 470, Statutes of Nevada 1975.

48 7. "Washoe County" means the county created by and described in  
49 NRS 243.340.

50 SEC. 4. 1. The Washoe County Airport Authority is hereby created.

1 2. The property and revenues of the authority, or any interest therein,  
2 are exempt from all state, county and municipal taxation.

3 SEC. 5. 1. The authority shall be directed and governed by a board of  
4 trustees composed of seven persons.

5 2. The City of Reno shall be represented on the board by four mem-  
6 bers, the City of Sparks by one member and Washoe County by two mem-  
7 bers, appointed as specified in this section. Within 30 days after the  
8 effective date of this act the city councils of the cities of Reno and Sparks  
9 and the board of county commissioners of Washoe County shall appoint  
10 their representatives to serve on the board of trustees.

11 3. The term of office of the members of the board of trustees shall be  
12 at the pleasure of the appointing authority in each case, but each appoint-  
13 ment shall be reviewed no less often than every 4 years.

14 4. The position of a member of the board of trustees shall be con-  
15 sidered vacated upon his loss of any of the qualifications required for his  
16 appointment and in such event the appointing authority shall appoint a  
17 successor.

18 SEC. 6. 1. Each member of the board shall file with the county  
19 clerk:

20 (a) His oath of office.

21 (b) A corporate surety bond furnished at authority expense, in an  
22 amount not to exceed \$5,000, and conditioned for the faithful perform-  
23 ance of his duties as a member of the board.

24 2. No member of the board, during his term thereon, may hold any  
25 elective office, have any financial interest in the aviation industry or be  
26 interested as a private purveyor in any contract or transaction with the  
27 board or the authority.

28 3. Each member of the board shall receive \$100 per month or \$25  
29 for each regular board meeting attended, whichever is less.

30 SEC. 7. 1. The board shall choose one of its members as chairman  
31 and one of its members as vice chairman, and shall elect a secretary and  
32 a treasurer, who may be members of the board. The secretary and the  
33 treasurer may be one person.

34 2. The secretary shall keep, in a well-bound book, a record of all of  
35 the proceedings of the board, minutes of all meetings, certificates, con-  
36 tracts, bonds given by employees, and all other acts of the board. The  
37 minute book and records shall be open to the inspection of all interested  
38 persons, at all reasonable times and places.

39 3. The treasurer shall keep, in permanent records, strict and accurate  
40 accounts of all money received by and disbursed for and on behalf of the  
41 board and the authority. He shall file with the county clerk, at authority  
42 expense, a corporate fidelity bond in an amount not less than \$25,000,  
43 conditioned for the faithful performance of his duties.

44 SEC. 8. 1. The board shall meet regularly at a time and in a place  
45 to be designated by the board. Special meetings may be held as often as  
46 the needs of the board require, on notice to each board member.

47 2. A majority of the members shall constitute a quorum at any meet-  
48 ing. Every motion and resolution of the board shall be adopted by at least  
49 a majority of the members present and constituting the quorum at such  
50 meeting.

3. The board shall adopt a seal.

SEC. 9. The board shall comply with the provisions of the Local Government Purchasing Act and the Local Government Budget Act.

SEC. 10. The authority may do all things necessary to accomplish the purposes of this act. The authority may, by reason of example and not of limitation:

1. Have perpetual succession and sue and be sued.

2. Plan, establish, acquire, construct, improve and operate one or more airports within Washoe County.

3. Acquire real or personal property or any interest therein by gift, lease or purchase for any of the purposes provided in this section, including the elimination, prevention or marking of airport hazards.

4. Sell, lease or otherwise dispose of any real property.

5. Acquire real property or any interest therein in areas most affected by aircraft noise for the purpose of resale or lease thereof, subject to restrictions limiting its use to industrial or other purposes least affected by aircraft noise.

6. Enter into agreements with Washoe County and the cities of Reno and Sparks to acquire, by lease, gift, purchase or otherwise, any airport of such county or municipality and to operate such airport.

7. With the approval of the board of county commissioners of Washoe County, exercise the power of eminent domain and dominant eminent domain in the manner provided by law for the condemnation by a city of private property for public use to take any property necessary to the exercise of the powers granted, within Washoe County.

8. Apply directly to the proper federal, state, county and municipal officials and agencies or to any other source, public or private, for loans, grants, guarantees or other financial assistance in aid of airports operated by it, and accept the same.

9. Study and recommend to the board of county commissioners of Washoe County and the city councils of the cities of Reno and Sparks zoning changes in the area of any airport operated by the authority with respect to height and aviation obstructions in order to enable the authority to meet the requirements of any Federal Aviation Administration regulations.

10. Have control of its airport with the right and duty to establish and charge fees, rentals, rates and other charges, and collect revenues therefrom, not inconsistent with the rights of the holders of its bonds, and enter into agreements with carriers for the payment of landing fees, rental rates and other charges.

11. Use in the performance of its functions the officers, agents, employees, services, facilities, records and equipment of Washoe County or the cities of Reno and Sparks, with the consent of any such county or municipality, and subject to such terms and conditions as may be agreed upon.

12. Enter upon such lands, waters or premises as in the judgment of the authority may be necessary for the purpose of making surveys, soundings, borings and examinations to accomplish any purpose authorized by this act. The authority is liable for actual damage done.

13. Provide its own fire protection, police and crash and rescue service.

14. Contract with carriers with regard to landings and the accommodation of the employees and passengers of such carriers.

15. Contract with persons or corporations to provide goods and services for the use of the employees and passengers of the carriers and the employees of the authority, as necessary or incidental to the operation of the airport.

16. Hire and retain officers, agents and employees, including a fiscal advisor, engineers, attorneys or other professional or specialized personnel.

SEC. 11. The board has and may exercise all rights and powers necessary or incidental to or implied from the specific powers granted in this act. Such specific powers are not a limitation upon any power necessary or appropriate to carry out the purposes and intent of this act.

SEC. 12. In addition to the other means for providing revenue for the authority, the board, subject to the approval of the board of county commissioners of Washoe County, has power to levy and collect general (ad valorem) taxes on and against all taxable property within the geographical boundaries of the authority, such levy and collection to be made by the board in conjunction with the county and its officers as set forth in this act.

SEC. 13. 1. To levy and collect taxes, the board shall determine, in each year, the amount of money necessary to be raised by taxation, taking into consideration other sources of revenue of the authority, and shall, subject to the approval of the board of county commissioners of Washoe County, fix a rate of levy which, when levied upon every dollar of assessed valuation of taxable property within the geographical boundaries of the authority, and together with other revenues, will raise the amount required by the authority annually to supply funds for paying the costs of acquiring, operating and maintaining the airports of the authority, and promptly to pay in full, when due, all interest on and principal of general obligation bonds and other general obligations of the authority. In the event of accruing defaults or deficiencies, an additional levy may be made as provided in section 14 of this act.

2. The board shall certify to the board of county commissioners of Washoe County, at the same time as fixed by law for certifying thereto tax levies of incorporated cities, the rate so fixed with directions that at the time and in the manner required by law for levying taxes for county purposes the board of county commissioners shall levy such tax upon the assessed valuation of all taxable property within the geographical boundaries of the authority, in addition to such other taxes as may be levied by the board of county commissioners at the rate so fixed and determined.

SEC. 14. 1. The board, in certifying annual levies, shall take into account the maturing general obligation indebtedness for the ensuing year as provided in its contracts, maturing general obligation bonds and interest on such bonds, and deficiencies and defaults of prior years, and shall make ample provision for the payment thereof.

2. If the money produced from these levies, together with other revenues of the authority, are not sufficient punctually to pay the annual installments on such obligations, and interest thereon, and to pay defaults and deficiencies, the board shall make, with the approval of the board of county commissioners of Washoe County, such additional levies of taxes as may be necessary for such purposes, and, notwithstanding any limitations, the taxes shall be made and continue to be levied until the general obligation indebtedness of the authority is fully paid.

SEC. 15. 1. The body having authority to levy taxes within each county shall levy the taxes provided in this act.

2. All officials charged with the duty of collecting taxes shall collect the taxes at the time and in the same form and manner, and with like interest and penalties, as other taxes are collected and when collected shall pay the same to the authority. The payment of such collections shall be made monthly to the treasurer of the authority and paid into the depository thereof to the credit of the authority.

3. All taxes levied under this act, together with interest thereon and penalties for default in payment thereof, and all costs of collecting such taxes, interest and penalties constitute, until paid, a perpetual lien on and against the property taxed; and the lien shall be on a parity with the tax lien of other general taxes.

SEC. 16. If the taxes levied are not paid as provided in this act, the property subject to the tax lien shall be sold and the proceeds thereof shall be paid over to the authority according to the provisions of the laws applicable to tax sales and redemptions.

SEC. 17. Whenever any indebtedness or other obligations have been incurred by the authority, the board may, with the approval of the board of county commissioners of Washoe County, levy taxes and collect revenue for the purpose of creating funds in such amount as the board may determine, which may be used to meet the obligations of the authority, for maintenance and operating charges and depreciation, and provide extension of and betterments to the airports of the authority.

SEC. 18. Upon the conditions and under the circumstances set forth in this act, the authority may borrow money and issue the following securities to evidence such borrowing:

1. Short-term notes, warrants and interim debentures.
2. General obligation bonds.
3. Revenue bonds.

SEC. 19. The authority may borrow money and incur or assume indebtedness therefor, as provided in this act, so long as the total of all such indebtedness (but excluding revenue bonds and other securities constituting special obligations which are not debts) does not exceed an amount equal to 5 percent of the total of the last assessed valuation of taxable property (excluding motor vehicles) situated within the geographical boundaries of the authority.

SEC. 20. 1. The authority, upon the affirmative vote of five trustees and with the approval of the board of county commissioners of Washoe County, is authorized to borrow money without an election in anticipation of the collection of taxes or other revenues and to issue short-term notes, warrants and interim debentures to evidence the amount so borrowed.

2. Such short-term notes, warrants and interim debentures:

(a) Shall be payable from the fund for which the money was borrowed.  
(b) Shall mature before the close of the fiscal year in which the money is so borrowed, except for interim debentures.

(c) Shall not be extended or funded except in compliance with the Local Government Securities Law.

SEC. 21. 1. Subject to the provisions of NRS 350.001 to 350.006, inclusive, whenever the board determines, by resolution, that the interest of the authority and the public interest or necessity demand the creation of an indebtedness of \$5,000 or more, the board shall order the submission of the proposition of issuing such obligations or bonds or creating other indebtedness to the registered voters of the authority at an election held for that purpose in the manner provided by NRS 350.020 to 350.070, inclusive.

2. Any such election may be held separately, or may be consolidated or held concurrently with any other election authorized by law.

3. The declaration of public interest or necessity required by this section and the provision for the holding of such election may be included within one and the same resolution, which resolution, in addition to the declaration of public interest or necessity, shall:

(a) Recite the objects and purposes for which the indebtedness is proposed to be incurred, the estimated cost of the works or improvements, as the case may be, the maximum amount of principal of the indebtedness to be incurred therefor, and the maximum rate of interest to be paid on the indebtedness.

(b) Fix the date upon which the election shall be held and the manner of holding it and the method of voting for or against the incurring of the proposed indebtedness.

(c) Fix the compensation to be paid the officers of the election, designate the polling place or places and appoint, for each polling place from the electors of the authority, three officers of such election, one of whom shall act as clerk.

SEC. 22. 1. The election board or boards shall conduct the election in the manner prescribed by law for the holding of general elections, and shall make their returns to the secretary of the authority.

2. At any regular or special meeting of the board held within 5 days following the date of the election, the returns thereof shall be canvassed and the results thereof declared.

SEC. 23. 1. If it appears from the returns that the registered voters of the authority approved the proposition submitted in the manner provided by NRS 350.070, the authority shall thereupon be authorized to incur such indebtedness or obligations, enter into such contract or issue and sell such bonds of the authority, as the case may be, all for the purpose or purposes and object or objects provided for in the proposition submitted and in the resolution therefor, and in the amount so provided and at a rate of interest not exceeding the rate of interest recited in such resolution.

2. Submission of the proposition of incurring such obligation or bonded or other indebtedness at such an election does not prevent or

1 prohibit submission of the proposition or other propositions at any sub-  
2 sequent election or elections called for that purpose.

3 SEC. 24. The authority may issue bonds (without the necessity of  
4 holding an election and as an alternative or in addition to other forms of  
5 borrowing authorized in this act) for the purpose of acquiring or improv-  
6 ing airports, and the bonds shall be made payable solely out of the net  
7 revenues derived from the operation of such airports or the furnishing of  
8 services, or from both such revenue sources of the authority; but a single  
9 bond issue may be had for more than one of such airports or services and  
10 the revenues for any of the income-producing airports and services pro-  
11 vided by the authority may be pledged to pay for any other such airport or  
12 service. To that end, a single utility fund for any number of such airports  
13 and services may be established and maintained.

14 SEC. 25. 1. Subject to the limitations and other provisions in this act,  
15 the board may issue on its behalf and in its name at any time or from time  
16 to time, as the board may determine, the following types of securities in  
17 accordance with the provisions of the Local Government Securities Law,  
18 except as otherwise provided in subsection 3:

19 (a) General obligation bonds and other general obligation securities  
20 payable from general (ad valorem) property taxes;

21 (b) General obligation bonds and other general obligation securities  
22 payable from general (ad valorem) property taxes, the payment of which  
23 securities is additionally secured by a pledge of and lien on net revenues;

24 (c) Revenue bonds and other securities constituting special obligations  
25 and payable from net revenues, but excluding the proceeds of any general  
26 (ad valorem) property taxes, which payment is secured by a pledge of  
27 and lien on such net revenues; or

28 (d) Any combination of such securities.

29 2. Nothing in this act prevents the authority from funding, refunding  
30 or reissuing any outstanding securities of the authority of a type desig-  
31 nated in subsection 1 as provided in the Local Government Securities  
32 Law.

33 3. General obligation or revenue bonds may be sold for not less than  
34 90 percent of their face amount and for an interest coupon rate of not  
35 to exceed 9 percent per annum, without regard to effective interest rate.  
36 If no bids are received or if the bid or bids received are not satisfactory  
37 as to price or responsibility of the bidder, the bonds may be readvertised  
38 or sold at private sale.

39 SEC. 26. The board may provide for the appointment of a paying or  
40 fiscal agency within or without the state, in relation to any general obliga-  
41 tion or revenue bonds of the authority, which shall be a bank possessing  
42 trust powers and which shall act in a fiduciary capacity and not as a  
43 depository, and may:

44 1. Provide for the powers, duties, functions and compensation of the  
45 agent.

46 2. Limit the liabilities of the agent.

47 3. Prescribe a method for his resignation and removal, and the  
48 merger or consolidation of agents.

49 4. Prescribe a method for the appointment of a successor agent and  
50 the transfer of rights and properties to the successor.

1 SEC. 27. 1. Bonds issued pursuant to this act, and the income there-  
2 from, are exempt from all state, county and municipal taxation.

3 2. All public officers and bodies of the state, municipal corporations,  
4 political subdivisions, all insurance companies and associations, all sav-  
5 ings banks and savings institutions, including savings and loan associa-  
6 tions, all executors, administrators, guardians, trustees and all other  
7 fiduciaries in the state may legally invest funds within their control in  
8 bonds of the authority.

9 SEC. 28. The authority is a public employer within the meaning of  
10 NRS 286.070, and the provisions of chapter 286 of NRS (Public  
11 Employees' Retirement Act) apply to the authority and its employees.

12 SEC. 29. The authority by action of the board may adopt its own  
13 civil service plan to be administered by the board, which plan shall include  
14 but need not be limited to the following provisions:

15 1. Entry into the service on the basis of open competition.

16 2. Service, promotions and remuneration on the basis of merit, effi-  
17 ciency and fitness.

18 3. Classifications of the positions in the service.

19 4. The rating of candidates on the basis of publicly announced com-  
20 petitive examinations and the maintenance of lists of eligible candidates.

21 5. Employment of candidates from the eligible lists in the highest  
22 qualified rating.

23 6. Probationary periods not to exceed 6 months.

24 7. Disciplinary action, suspension or discharge of employees for cause  
25 only with the right of notice and review.

26 8. Schedules of compensation and pay increases prepared by the  
27 board.

28 9. Promotion on the basis of ascertained merit, seniority in service  
29 and competitive examinations.

30 10. Provision for keeping service records on all employees.

31 11. Regulations for hours of work, attendance, holidays, leaves of  
32 absence and transfers.

33 12. Procedures for layoffs, discharge, suspension, discipline and rein-  
34 statement.

35 13. The exemption from civil service of persons employed to render  
36 professional, scientific, technical or expert service of a temporary or  
37 exceptional character, persons employed on projects paid from the pro-  
38 ceeds of bonds issued by the authority and persons employed for a period  
39 of less than 3 months in any 12-month period.

40 14. Review by the board, at the request of the employee in question  
41 and after notice and public hearing of any disciplinary action, suspension  
42 or discharge of any employee, which action, suspension or discharge may  
43 be affirmed, modified or reversed by the board. Findings of fact by the  
44 board are subject to review by any court except for illegality or want of  
45 jurisdiction.

46 SEC. 30. Nothing contained in this act limits any power of the cities  
47 of Reno and Sparks or Washoe County to regulate airport hazards by  
48 zoning.

49 SEC. 31. 1. It is the duty of the board of trustees of the authority  
50 and the city council of the City of Reno, before October 1, 1977, to

1 enter into an agreement for the orderly transfer to the authority of the  
2 airport properties, functions and outstanding obligations of the City of  
3 Reno, not inconsistent with the rights of existing bondholders, effective  
4 July 1, 1978. The agreement may include provisions for the transfer of  
5 the City of Reno airport employees to the authority with the retention  
6 by the employees of any civil service status.

7 2. On July 1, 1978:

8 (a) Any money on hand or to become available to the City of Reno  
9 for airport purposes shall be paid directly to the authority.

10 (b) The City of Reno shall deliver to the authority all property ordi-  
11 narily and appropriately used in the operation and maintenance of the  
12 airport.

13 (c) The authority shall assume the obligations issued and accounts  
14 payable by the City of Reno for airport purposes.

15 3. During the fiscal year ending June 30, 1978, the City of Reno  
16 shall continue the operation and maintenance of its airport but its  
17 operation and maintenance shall cease on July 1, 1978. Thereafter the  
18 cities of Reno and Sparks shall not exercise any powers relating to air-  
19 ports vested in their city councils or the cities by special or general law.

20 4. The board of trustees of the authority first appointed pursuant to  
21 the provisions of this act shall:

22 (a) Meet promptly after their appointment and organize.

23 (b) Execute the mandatory agreement specified in subsection 1 of this  
24 section.

25 (c) Prepare the necessary budgets for the authority for the fiscal year  
26 ending June 30, 1979, pursuant to law.

27 (d) Assume full control, operation and maintenance of the Reno  
28 municipal airport on July 1, 1978, and exercise fully thereafter all of the  
29 powers and assume all of the duties granted to and imposed upon the  
30 board by this act.

31 SEC. 32. If any provision of this act or the application thereof to any  
32 person or circumstances is held invalid, such invalidity shall not affect  
33 other provisions or applications of the act which can be given effect  
34 without the invalid provision or application, and to this end the provi-  
35 sions of this act are declared to be severable.



Amend sec. 179, page 62, line 15, by inserting "15," after "Sections", 1977 Amendment No. 833A.

Amend the bill as a whole by deleting sections 172 and 173 and renumbering sections 174 through 179 as sections 172 through 177 respectively.

Amend sec. 175, page 61, line 18, by deleting "548.410 to 548.510, inclusive,".

Senator Gibson moved the adoption of the amendments.

Remarks by Senator Gibson.

Amendments adopted.

Bill ordered reprinted, re-engrossed and to third reading.

✓ Senate Bill No. 198.

Bill read third time.

Remarks by Senators Dodge, Raggio, Foote, Hilbrecht, Wilson, Gibson, Neal, Echols, Schofield and Young.

Roll call on Senate Bill No. 198:

YEAS—15.

NAYS—Dodge, Foote, Gibson—3.

Absent—Faiss, Gojack—2.

Senate Bill No. 198 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 322.

Bill read third time.

Remarks by Senators Echols, Schofield and Bryan.

Roll call on Senate Bill No. 322:

YEAS—17.

NAYS—None.

Absent—Ashworth, Faiss, Gojack—3.

Senate Bill No. 322 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 352.

Bill read third time.

Remarks by Senators Foote and Neal.

Roll call on Senate Bill No. 352:

YEAS—17.

NAYS—None.

Absent—Ashworth, Faiss, Gojack—3.

Senate Bill No. 352 having received a constitutional majority, Mr. President declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senate Bill No. 356.

Bill read third time.

Remarks by Senators Neal and Wilson.

Roll call on Senate Bill No. 356:

YEAS—17.

NAYS—None.

Absent—Faiss, Gojack—2.

Not voting—Hilbrecht.



✓  
ASSEMBLY  
GOVERNMENT AFFAIRS  
April 17, 1977  
12:15pm

MEMBERS PRESENT: Chairman Murphy  
Mr. May  
Mr. Craddock  
Mr. Jeffrey  
Mr. Mann  
Mr. Moody (4:00pm)  
Mr. Robinson  
Mrs. Westall  
Mr. Jacobsen

GUESTS PRESENT: See attached lists

Chairman Murphy called the meeting to order at 12:15pm.

ASSEMBLY BILL 715

Assemblyman Jeffrey told the committee that he had requested a change in the Henderson city Charter but that this bill was not the change he wanted. He suggested to the committee an amendment that would delete the bill and then change the charter to allow for a five member Civil Service Board. This is what he had wanted in the first place.

COMMITTEE ACTION

A.B. 715- Mrs. Westall moved to AMEND AND DO PASS, seconded by Mr. Craddock, passed unanimously. Mr. Moody and Mr. Mann were not present at the time of the vote.

ASSEMBLY BILL 716

Chairman Murphy explained the bill briefly to the committee and said that Mr. Ewald from the City of Reno would explain the bill further at a later date.

ASSEMBLY  
~~SENATE~~ BILL 680

NO ONE CAME FORWARD TO TESTIFY.

ASSEMBLY BILL 683

NO ONE CAME FORWARD TO TESTIFY.

ASSEMBLY BILL 717

Chairman Murphy then called for testimony on A.B. 717 which provides for employment supervision and benefits for the regional planning commission employees.

ASSEMBLY  
GOVERNMENT AFFAIRS  
April 17, 1977  
Page Ten

SENATE BILL 198

Senator Raggio, sponsor of the bill, passed out the Majority and Minority Reports of the Washoe County Airport Study Committee. He gave some history of the bill, and explained the Study Committee which was mandated by the last legislature. This bill, based upon the majority report of the study committee, establishes an authority which will have political boundaries coterminous with the County of Washoe. The authority substitutes for the governing body of the airport, any and all airports within the boundaries of the authority (Washoe County). It substitutes for the city council which now governs the airport. The authority will have appointed trustees. The Board of Trustees will consist of 7 members, 4 appointed by the Reno City Council, 2 will be appointed by the County Commissioners and one by the Sparks City Council. The airport of Reno will no longer be a provincial airport, airports have to stay current. The airport under the current management of the city council has not grown to meet the needs of the entire area. A broader base is needed not only for the governance but for the ultimate financial support of the airport.

The Majority and Minority Reports are attached as Exhibits 3 and 4.

Senator Margie Foote told the committee that she opposed the bill as a matter of principle. The testimony before the study committee was mostly opinion not fact. The City of Reno has not asked for help in running the airport. The Council is presently aware of the situation at the airport and are currently making the necessary changes themselves. She commented that you can't build any faster under an airport authority than you can with a City Council. The State should not impose upon the city what the city does not want. She concluded by saying that this bill is not the result of the minority or majority report.

Mr. Robert Heaney, member of the Airport Study committee, testified in favor of the bill. He referred to the Majority Report Recommendations. He cited many areas that have not been developed at the present area such as more favorable leases with concessionaires, etc. He said that an authority would take politics out of the management of the airport. He passed out a copy of a letter to Senator Raggio from Legislative Counsel, Frank Daykin. This is attached as Exhibit 5 which gives an interpretation of the requirements of section 21 of the bill. He concluded by saying that the Legislature does have the right to go over the wishes of the City of Reno as far as the best management of the airport because the airport reflects on the entire state and not just the City of Reno. Both local newspapers have come out in favor of the airport authority.

ASSEMBLY  
GOVERNMENT AFFAIRS  
Page 17, 1977  
Page Eleven

Mr. Bill Cottenger, Reno Chamber of Commerce, read a position statement from the Board of Directors which stated that they are in full agreement with the concept of an airport authority of a regional nature for the area of Reno-Sparks. The airport authority is the most practical approach to updating the facility and improving the airport services in quickest and most efficient manner.

Mr. Bruno Menecucci told the committee that they can't eliminate politics from the authority since the appointments are made by the council. He suggested that the members of the authority be elected and not appointed and that the bill be amended to include McCarran Airport in Las Vegas. He concluded by saying that all the problems are in the process of being solved by the present Reno City Council.

#### SENATE BILL 402

Mr. LaVerne D. Machacek testified in opposition to the bill. His statement is attached as Exhibit 6.

Mr. Jerry Machacek testified in opposition to the bill. His statement is attached as Exhibit 7.

Chairman Murphy announced that testimony on this bill and any others that were scheduled to be heard today would be held over until tomorrow.

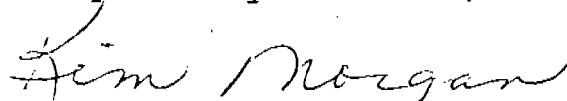
#### COMMITTEE ACTION

SENATE BILL 40- Mr. Jeffrey moved for a DO PASS, seconded by Mr. May, motion passed unanimously. Mr. Moody was not present at the time of the vote.

ASSEMBLY BILL 717 - Mr. Craddock moved to INDEFINITELY POSTPONE, seconded by Mr. May. Motion passed unanimously. Mr. Moody was not present.

Chairman Murphy adjourned the meeting at 5:10pm as the Assembly was scheduled to go into session at 5:00pm.

Respectfully submitted,

  
Kim Morgan, Committee Secretary

STATE OF NEVADA  
LEGISLATIVE COUNSEL BUREAU

LEGISLATIVE BUILDING  
CAPITOL COMPLEX  
CARSON CITY, NEVADA 89710

ARTHUR J. PALMER, *Director*  
(702) 885-5627



April 15, 1977

LEGISLATIVE COMMISSION (702) 885-5627

JAMES I. GIBSON, *Senator, Chairman*  
Arthur J. Palmer, *Director, Secretary*

INTERIM FINANCE COMMITTEE (702) 885-5640

DONALD R. MELLO, *Assemblyman, Chairman*  
Ronald W. Sparks, *Senate Fiscal Analyst*  
John F. Dolan, *Assembly Fiscal Analyst*

FRANK W. DAYKIN, *Legislative Counsel* (702) 885-5627  
EARL T. OLIVER, *Legislative Auditor* (702) 885-5620  
ANDREW P. GROSE, *Research Director* (702) 885-5637

Senator William J. Raggio  
Senate Chamber  
Legislative Building  
Carson City, Nevada 89710

Dear Senator Raggio:

You have requested an interpretation of the requirements of section 21 of Senate Bill No. 198, which creates the Washoe County Airport Authority. That section requires the submission to the general obligation bond commission (in accordance with NRS 350.001 to 350.006, inclusive) and to the registered voters (in accordance with NRS 350.020 to 350.070, inclusive) of Washoe County of any proposed bond issue or other indebtedness exceeding \$5,000. I believe the words "other indebtedness" occurring on line 12 of page 7 must be read in conjunction with the reference to bonds to mean debt evidenced by written instrument, as opposed to purchases on open account or an improvement contract to be paid for as completed. It is broader than "bond," however, in that it would include, for example, a lease-purchase agreement. The corresponding provision of the Municipal Airports Act, NRS 496.150, enacted in 1947, refers only to bonds of various kinds; this provision would embrace modern alternative methods of financing.

Very truly yours,

*Frank W. Daykin*  
Frank W. Daykin  
Legislative Counsel

FWD:jll

✓ ASSEMBLY  
GOVERNMENT AFFAIRS  
April 20, 1977  
7:00am

MEMBERS PRESENT: Chairman Murphy  
Mr. May  
Mr. Craddock (10:15)  
Mr. Jeffrey  
Mr. Mann (10:00)  
Mr. Moody  
Mr. Robinson  
Mrs. Westall (9:00)  
Mr. Jacobsen

GUESTS PRESENT: See attached list

Chairman Murphy called the meeting to order at 7:00am.

SENATE BILL 153

Mr. Noel A. Clark and Mr. Kelly Jackson from the Public Service Commission presented written testimony on the bill. The testimony is attached as Exhibit 1.

Other testimony on this bill would be taken later in the meeting.

ASSEMBLY BILL 732 and ASSEMBLY BILL 597

Senator Sheerin explained that A.B. 732 came out of an interim study of the Hobart Marlette Watershed. He voiced his support for the measure. The system is old and broken down and the tanks are falling apart and the State has to upgrade the purification system. So it makes sense to do the entire project now together instead of alone at a later date. The more delay, the more expense is involved. The state by the year 2000 will be using 41% of the water and therefore they should pay that share of the bonded indebtedness. He added that there might be some federal monies available to help both sides in this matter.

Mayor Harold Jacobsen and Henry Etchemendy joined the discussion of the two bills.

Assemblyman Robinson commented that he did not like the way that the bonded indebtedness was being divided. It should be more on a cost/use basis.

SENATE BILL 507

The committee was told that this bill was the same as S.B. 35 which was vetoed by the Governor, with the objectionable parts taken out.

ASSEMBLY  
GOVERNMENT AFFAIRS  
April 20, 1977  
Page Five

in favor of the bill.

Chairman Murphy appointed a subcommittee of Mrs. Westall and Mr. Robinson to look into possible amendments.

ASSEMBLY BILL 701- Mr. Mann moved to INDEFINITELY POSTPONE, seconded by Mr. Jacobsen, passed unanimously. Mr. May was not present for the vote.

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SENATE BILL 198

Mr. Tony Miglione presented some suggestions to be considered. His testimony is attached as Exhibit 5.

Mr. Russell McDonald submitted a copy of the amendments that the committee had asked him to draw up regarding the bonding situation and the salary of the authority. Senator Raggio had suggested these amendments to him. A copy is attached as Exhibit 6.

COMMITTEE ACTION

ASSEMBLY BILL 706- Mr. Robinson moved to DO PASS, seconded by Mr. May, passed unanimously.

There being no more time for the meeting, Chairman Murphy adjourned the committee at 11:05am.

Respectfully submitted,

*Kim Morgan*

Kim Morgan, Committee Secretary

IN THE BEST INTEREST OF RENO, SPARKS, & WASHOE COUNTY, TO INSURE ADEQUATE & DESIRED AIR SERVICE FOR THEIR COMMON GOOD:

DO DECLARE AND DEGREE, that Reno, Sparks & Washoe County, collectively, become owners of the present Reno Airport.

THAT, a tax be allocated from each city & county, according to their agreed ownership percentage of this collectively owned airport for the maintainance & operational Budget of this airport.

THAT, the ownership percentage shall be determined by resident population.

THAT, the value of the present airport shall be based on cost, less accumulated depreciation (using M.A.I. standards to determine useful life of property). That this value shall be credited towards Reno's percentage liability of issuance of Bonds for Capital Improvement, by the newly collectively owned airport. For each issuance of Bonds for Future capital improvements approved by the voters of the cities & county, Reno shall be given credit for 1/4th of their value owed. After Four Bond issues, Reno will then be obligated to their regular percentage of such Bonds to the percentage of Reno's ownership in this collectively owned airport.

THAT, Reno, Sparks, & Washoe County will hold elections within their jurisdictions, among their registered voters to have members elected to 4 year terms to a Governing Body, that shall have complete autonomy and independence in the control of the operation, development, expansion, re-location of this collectively owned airport. THAT, This Governing Body be seven members. The number of members to this Governing Body to be elected shall be in direct relationship as to the percentage of ownership of the collectively owned airport by each city and county. A minimum of one member for each city and county is required regardless of percentage of population. THAT This Governing Body shall be structure so that they will be required to report to the people as a Body, with an annual report listing expenditures, income, new leases and additions and improvements made or acquired and that they list their annual budget which unless increased more than the percentage of tax assessed each city & county will allow, will require to be approved by each city and county.

THAT, the Governing Body of seven members shall independently hired all employees and staff and Administrator and assistants as needed, within their budget, and do all acts necessary to insure that the airport is properly operated. That their employees shall be covered by civil service, except for the administrator whom they can select on the basis their establish. That all employees and administrator and assistants shall be covered under the Nevada State Retirement System Program. The Governing Body shall have all authority, rights and privileges afforded to other political sub-divisions and the members shall be covered under the Nevada Retirement System Program. They shall have complete control over the operation of the collectively owned airport and be responsible and accountable to the public only, and cause to have their meetings and functions opened as required under other State Open meeting laws. They shall prepare a budget each year well in advance and cause it to be published in the local newspapers. Capital Funding requiring issuance of Bonds, shall be prepared and presented to the voters one year prior to regularly held municipal election.

The Governing Body shall make full disclosure as to the need for the Capital Funding and issuance of Bonds so that the voters can vote upon such Bonds. Contractual estimates are required to be submitted by any and all licensed business, licensed in the cities and county.

Thereafter, the Governing Body, after establishing their budget for operation & maintenance of the collectively owned airport, will require the percentage of tax from each city and county to meet this Budget if funding can not be sustained by general revenue income from the operation of the airport. The Governing Body shall enter into all leases and contracts upon their sole approval and cause to post such leases in public places and local newspapers.

THAT, the Governing Body, to the extent that their budget calls for, for the operation and maintenance of the airport, shall be empowered to make major repairs, purchases, additions to the airport, as long as the amount does not exceed their budget or one million dollars, whichever is less. They can defer spending from their budget from one year to the next in order to accumulate sufficient funds to accomplish said major repairs, additions or purchases required for the operation & maintenance of the airport, as long as it remains under one million dollars. For any expenditures requiring more than one million dollars, the Governing Body shall prepare well in advance such need and have presented to the voters, to be voted upon at the next regular general municipal election of each city and county.

The Governing Body shall make known to the people of each city and county whenever their need for Capital funds is evident and to issue General Airport Revenue Bonds to cover such Capital expenditures at least one year prior, so that it can be placed on the next municipal election to be held by each city and county.

Should this Governing Body not prove to be a productive instrument of government, the cities and county can cause to abolish it and create a new entity to become the governing agency over the collectively owned airport. Should no agreement be reached by the cities and county as to what new agency is to be created, they shall call upon the Nevada Legislature for assistance.

In the event that outlining communities such as Carson City, Gardnerville, Fallon and others desire to have auxiliary air service linked with their cities and this collectively owned airport, they may request to become an owner of said collectively owned airport to a percentage of their resident population as is to the whole and they shall be taxed accordingly, and be obligated for their percentage of Bonds issued. They shall be allowed a minimum of one member to the Governing Body and such member shall be elected in similar manner as the members elected in the other cities and county.

The Governing Body shall be paid \$6,000.00 per year salary and shall hold "Board of Director" type meetings once a month to review income & operating statements and conduct all other types of business as they are authorized and required to do. Should outlining communities have members on this Governing Body, then per diem and expenses shall be paid that member for the day or two required to conduct monthly review meetings of the operation of the airport.



Amendments to S.B. 198

Amend section 3, page 2, lines 47, by deleting the period and inserting "; as amended."

Amend section 6, page 3, by deleting line 28 and inserting "3. Each member of the board shall receive \$ 160 per month or \$ 40".

Amend section 21, page 7, by deleting lines 9 to 12, inclusive, and inserting " of the authority and the public interest or necessity demand the issue of general obligation bonds to purchase, construct, or otherwise acquire, maintain, improve or equip airports, the board shall order the submission of the proposition of issuing such bonds to the registered voters of the authority at an election".

Amend section 23, page 7, by deleting lines 42 and 43, and inserting " issue and sell such bonds of the authority for the "

Amend section 23, page 7, by deleting lines 48 and 49 and inserting "2. Submission of the proposition of incurring such bonded indebtedness at such an election does not prevent or "

Title ok

McDonald

4-20-77

✓ ASSEMBLY  
GOVERNMENT AFFAIRS  
April 28, 1977  
7:00am

MEMBERS PRESENT: Chairman Murphy  
Mr. May  
Mr. Craddock  
Mr. Jeffrey  
Mr. Mann  
Mr. Moody  
Mr. Robinson  
Mrs. Westall  
Mr. Jacobsen

GUESTS PRESENT: See attached list

Chairman Murphy called the meeting to order at 7:00am.

SENATE BILL 219

Mr. Jim Costa from the Department of Education suggested major changes to the committee. He said that the Department of Education should be removed from the zero based budgeting experiment. The Department is currently trying to use zero based budgeting objectives. He suggested deletion of most of lines 3-22 on page 5 as most of the language is superfluous.

Senator Raggio, sponsor of the bill, gave a short explanation of sunset legislation. He explained that it is a comprehensive oversight program run by the legislature. The bill is well drafted and has all the necessary provisions in it. It is to contend with the growing discontent by the public of their government. The bill provides the handle to cope with waste, duplication, inequities, secrecies and poor attitudes by agencies. Agencies must prove their value.

He added that the 2nd and 3rd cycles of boards in Arkell's study for A.B. 278 were deleted in reprint. It is an experimental bill. It is hard to argue against the concept that agencies must justify their existence. The ultimate in sunset legislation is designed to include executive agencies also. The bill provides the criteria for review.

Pat Gothberg, representing Common Cause, told the committee that she was concerned with sunset legislation mechanism language. She would prefer a pilot program on a few boards. She added that the boards need a fair hearing. The amendments she suggested, which are attached as Exhibit 1, are drawn to ensure that that happens. She discussed the amendments and added that the dates are not necessarily concrete but should be considered. She would like to see sunset legislation done properly. The goal of sunset is not for termination but for review. The Fiscal Analyst of the Legislative Counsel Bureau told her that the office could handle the job since the entire LCB will help.

ASSEMBLY  
GOVERNMENT AFFAIRS  
April 28, 1977  
Page Two

ASSEMBLY BILL 687

Kathleen Olsen, Bernice Ireland and Rick Kuhlmeier, from the Governor's Commission on the Employment of the Handicapped spoke in favor of the bill with the inclusion of the amendments submitted by Mr. Bill Hancock of the Public Works Board. With those amendments, the bill would place the responsibility with the Public Works Board to make state buildings accessible to the handicapped.

They added that NRS 651.050 has been on the books since 1973 and has not been obeyed. There will be many complaints to the Equal Rights Commission and many lawsuits once handicapped people see the non-compliance of standards set in 1973.

SENATE BILL 198

Chairman Murphy reviewed the amendments drawn by Mr. Russ McDonald and submitted on April 20.

COMMITTEE ACTION

S.B. 198 - Mr. Craddock moved to AMEND AND DO PASS, seconded by Mrs. Westfall, passed unanimously except for Mr. Jeffrey who voted no.

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SENATE BILL 444

Senator Mary Gojack explained to the committee that the bill simply asks that factors be taken into account when the population plan is being drawn.

Senator Cliff Young told the committee that we have to face up to the fact that water has to be conserved. Plans are rarely followed; we do not have good planning. The bill is merely a guideline that does not bind. Real Estate people and homebuilders constantly oppose these types of planning bills for financial reasons but we have to stop thinking of financial reasons and think of the wellbeing of our living areas.

Gene Milligan, Nevada Realtors, spoke in opposition to the bill by saying that the new language is superfluous.

Mr. George Peek, Vice President of the Lemmon Valley Land Company, told the committee that the regional planning agency is going to get into things they don't know about. He stated that there was no reason to get the planning people involved because Mr. Westerguard the State Water Engineer has the final decision making power on water matters.

✓ ASSEMBLY  
GOVERNMENT AFFAIRS  
April 30, 1977  
7:00am

MEMBERS PRESENT: Chairman Murphy  
Mr. May  
Mr. Craddock  
Mr. Jeffrey  
Mr. Mann  
Mr. Robinson  
Mrs. Westall (8:30)  
Mr. Jacobsen

MEMBERS EXCUSED: Mr. Moody

Chairman Murphy called the meeting to order at 7:00am.

COMMITTEE ACTION

ASSEMBLY BILL 54- Mr. Jacobsen moved to INDEFINITELY POSTPONE, seconded by Mr. Mann, passed unanimously. Mr. Moody, Mrs. Westall and Mr. Jeffrey were not present for the vote.  
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SENATE BILL 402

Assemblyman Craddock explained an amendment he proposed to the bill regarding public notice.

Mr. Westergard, State Water Engineer, told the committee that if the purpose of the amendment were to give people notice that rights may be subject to forfeiture were going to be reinstated then he had no problem with the amendment. He continued: I understand that notice will be given to the state engineer too, so if there was a possibility that the right had been forfeited some time before the right was reinstated, the state engineer could begin proceedings to declare those rights forfeited.

Assemblyman Mann asked Mr. Westergard if there was a need for the bill. He replied that the bill was not introduced at his request. He added that he could handle the law the way it is or with the amendment in it, it is up to legislative determination. "I think it would serve some purpose to the people that are financing irrigation systems, etc. I do see that as a positive aspect of it and also the people who may be in a jeopardy of forfeiture, it would put some responsibility back on them to protect their right, if in fact it had not yet been declared forfeited. We do have to publish notice of applications when they are filed in the first instance."

Assemblyman Craddock then explained his other amendment (1106A) which provides that each lot be allocated one half acre foot of water per year if the water mechanisms are installed by an approved plan and if there is a bona fide sale of the land.

ASSEMBLY  
GOVERNMENT AFFAIRS  
April 30, 1977  
Page Three

SENATE BILL 444

Assemblyman May asked if there were 38 hydrographic basins in Washoe County. Mr. Roland Westergard, State Water Engineer, told him yes there were.

ASSEMBLY BILL 721

Mayor Jacobsen of Carson City submitted the letter attached as Exhibit 1.

ASSEMBLY BILL 597

Assemblyman Robinson discussed a different funding formula which is attached as Exhibit 2.

The committee discussed the protection of the State in this type of negotiation.

COMMITTEE ACTION

SENATE BILL 198- This bill was rereferred to the committee on April 29 and Mr. Mann explained that it was ready to go back to the floor of the Assembly. Mr. Mann moved to AMEND AND DO PASS, seconded by Mr. May, motion passed unanimously. Mrs. Westall and Mr. Moody were absent for the vote. The amendments were the same as when the bill was passed out of committee previously.

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SENATE BILL 333

Senator Gojack explained the first reprint of her bill to the committee. The bill includes the following concepts: a meeting is a gathering of a quorum; the State Legislature was deleted; notices have to be published 3 working days in advance; student government is included; attorney client exemptions.

Assemblyman Mann commented that there was no guarantee for closed personnel sessions.

Bob Broadbent, Nevada Association of County Commissioners, spoke in opposition to the bill later in the meeting and said that it would cause many problems for the rural areas. He was concerned with the whole open meeting concept. He said that people just wouldn't run for public office if this kind of restrictions were placed on public officials.

Chairman Murphy commented that people who don't want to follow open meeting regulations shouldn't be in public office anyway.

Amend sec. 9, page 4, by deleting line 49 and inserting: "453.551, inclusive, the [division or other] *appropriate law enforcement agency* [as the case may be,] may:".

Amend sec. 9, page 5, line 3, by deleting "law; or" and inserting: "law. [; or".

Amend sec. 9, page 5, line 4, by deleting "disposition." and inserting: "disposition.]"

Amend sec. 13, page 10, line 16, by deleting "\$2,000" and inserting: "\$20,000".

Assemblyman Ross moved the adoption of the amendment.

Remarks by Assemblymen Ross, Polish and Barengo.

Amendment lost.

Bill ordered reprinted, re-engrossed and to third reading.

#### MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Demers moved that Senate Bill No. 198 be placed on the Second Reading File.

Remarks by Assemblyman Demers.

Motion carried.

#### SECOND READING AND AMENDMENT

##### Senate Bill No. 198.

Bill read second time.

The following amendments were proposed by the Committee on Government Affairs:

Amendment No. 1027A.

Amend sec. 3, page 2, line 47, by deleting the period and inserting: ", as amended."

Amend sec. 6, page 3, by deleting line 28 and inserting:

"3. Each member of the board is entitled to receive \$160 per month or \$40".

Amend sec. 21, page 7, by deleting lines 9 to 12, inclusive, and inserting: "of the authority and the public interest or necessity demand the issue of general obligation bonds to purchase, construct, or otherwise acquire, maintain, improve or equip airports, the board shall order the submission of the proposition of issuing such bonds to the registered voters of the authority at an election".

Amend sec. 23, page 7, by deleting lines 42 and 43, and inserting: "issue and sell such bonds of the authority for the".

Amend sec. 23, page 7, by deleting lines 48 and 49 and inserting:

"2. Submission of the proposition of incurring such bonded indebtedness at such an election does not prevent or".

Amendment No. 170.

Amend the bill as a whole by adding a new section designated section 33, following section 32 to read:

"Sec. 33. 1. If either city fails to appoint its representatives to the board of trustees of the authority as required by section 5 of this act, the board of county commissioners of Washoe County shall appoint the required number of residents of that city to represent it.

2. If any action is brought to have this act or any of its provisions

declared invalid or to contest the legal status of the authority, before the authority has received money sufficient to employ an attorney, the district attorney of Washoe County shall defend the action on behalf of the authority."

Assemblyman Murphy moved the adoption of the amendments.

Remarks by Assemblyman Murphy.

Amendments adopted.

Bill ordered reprinted, re-engrossed and to third reading.

#### MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Barengo moved that the vote whereby Amendment No. 195 to Senate Bill No. 268 was lost be rescinded.

Remarks by Assemblymen Barengo, Polish and Hickey.

Assemblyman Hickey moved that Senate Bill No. 268 be placed on the Chief Clerk's desk.

Remarks by Assemblymen Barengo and Mann.

Motion lost.

Assemblyman Barengo's motion carried.

#### SECOND READING AND AMENDMENT

Senate Bill No. 268.

Bill read second time.

The following amendment was proposed by Assemblyman Ross:

Amendment No. 195.

Amend sec. 8, page 4, lines 7 and 8, by deleting "*the controlled substance*" and inserting: "*marihuana*".

Amend sec. 8, page 4, line 11, by deleting "*The division*" and inserting: "*If a conveyance is forfeited the appropriate law enforcement agency*".

Amend sec. 9, page 4, by deleting line 49 and inserting: "453.551, inclusive, the [division or other] *appropriate law enforcement agency* [as the case may be,] may:".

Amend sec. 9, page 5, line 3, by deleting "law; or" and inserting: "law. [; or]".

Amend sec. 9, page 5, line 4, by deleting "disposition." and inserting: "disposition.]"

Amend sec. 13, page 10, line 16, by deleting "\$2,000" and inserting: "\$20,000".

Assemblyman Ross moved the adoption of the amendment.

Remarks by Assemblyman Ross.

Amendment adopted.

Bill ordered reprinted, re-engrossed and to third reading.

#### MOTIONS, RESOLUTIONS AND NOTICES

Assemblyman Demers moved that Senate Bills Nos. 498 and 326 be taken from the General File and placed on the General File for the next legislative day.

Motion carried.

In compliance with a notice given on a previous day, Assemblyman

(REPRINTED WITH ADOPTED AMENDMENTS)

SECOND REPRINT

S. B. 198

SENATE BILL NO. 198—SENATORS RAGGIO,  
YOUNG, WILSON AND GOJACK

FEBRUARY 9, 1977

Referred to Committee on Government Affairs

SUMMARY—Creates Washoe County Airport Authority. (BDR S-847)

FISCAL NOTE: Local Government Impact: No.  
State or Industrial Insurance Impact: No.

EXPLANATION—Matter in *italics* is new; matter in brackets [ ] is material to be omitted.

AN ACT creating the Washoe County Airport Authority; making legislative findings and declarations; defining certain words and terms; providing for the appointment, number, terms, compensation, duties and powers of a board of trustees; specifying the powers of the authority, including the power to levy and collect general (ad valorem) taxes, borrow money and issue securities to evidence such borrowing; requiring the transfer of airport properties, functions and outstanding obligations of the City of Reno to the authority; and providing other matters properly relating thereto.

*The People of the State of Nevada, represented in Senate and Assembly,  
do enact as follows:*

- 1 SECTION 1. This act may be cited as the Washoe County Airport  
2 Authority Act.  
3 SEC. 2. 1. The legislature finds that:  
4 (a) The airport of the City of Reno has traditionally been operated by  
5 the city as a municipal function and originally served primarily the city  
6 residents.  
7 (b) With the development of multiple contiguous communities, subur-  
8 ban living and rapid increases in recreational pursuits by the traveling pub-  
9 lic, the airport of the City of Reno is now serving the inhabitants of a large  
10 geographical area and ever-increasing numbers of tourists.  
11 (c) What was once a municipal airport in both name and fact is now  
12 a regional airport.  
13 (d) The financial problems of the airport have become more complex  
14 and administrative activities are required to be more responsive to the  
15 community at large and the directly paying airport tenants and users.  
16 (e) The City of Reno is unable to operate the airport effectively within  
17 the traditional framework of local government, evidencing the need to  
18 create a special governmental corporation to provide specific facilities  
19 and services to the public.



(f) Development of the modern airport requires the expenditure of vast sums of money for land acquisitions and capital improvements not available to the City of Reno through the issuance of municipal securities secured by general obligation tax receipts.

(g) Because of special circumstances and conditions a general law cannot be made applicable, and this special act will allow the tax burden to spread over Washoe County rather than coming to rest solely upon the principal municipality of Washoe County.

(h) This act will accommodate the expanding urban population patterns, provide adequate funding and establish the administrative machinery necessary to insure adequate air service to the region.

2. It is hereby declared as a matter of legislative determination that:

(a) The organization of the Washoe County Airport Authority having the purposes, powers, rights, privileges and immunities provided in this act will serve a public use and will promote the general welfare by facilitating safe and convenient air travel and transport to and from the Reno area.

(b) The acquisition, operation and financing of airports and related facilities by the Washoe County Airport Authority is for a public and governmental purpose and a matter of public necessity.

(c) The Washoe County Airport Authority is a body corporate and politic and a quasi-municipal corporation, the geographical boundaries of which are coterminous with the boundaries of Washoe County.

(d) For the accomplishment of the purposes stated in this subsection, the provisions of this act shall be broadly construed.

SEC. 3. As used in this act the following words or phrases are defined as follows:

1. "Airport" means any one or more airports or heliports and related facilities, including but not limited to land and interests in land, facilities for storage of air and space craft, navigation and landing aids, taxiways, pads, aprons, control towers, passenger and cargo terminal buildings, hangars, administration and office buildings, garages, parking lots and such other structures, facilities and improvements as are necessary or convenient to the development and maintenance of airports and heliports and for the promotion and accommodation of air and space travel, commerce and navigation.

2. "Authority" means the Washoe County Airport Authority created pursuant to the provisions of this act.

3. "Board of trustees" and "board" each means the board of trustees of the authority.

4. "Carrier" means any person or corporation engaged in the air or space transportation of passengers or cargo.

5. "City of Reno" means the municipal corporation in Washoe County, Nevada, created and existing pursuant to the provisions of chapter 662, Statutes of Nevada 1971, as amended.

6. "City of Sparks" means the municipal corporation in Washoe County, Nevada, created and existing pursuant to the provisions of chapter 470, Statutes of Nevada 1975, as amended.

7. "Washoe County" means the county created by and described in NRS 243.340.

SEC. 4. 1. The Washoe County Airport Authority is hereby created.

2. The property and revenues of the authority, or any interest therein, are exempt from all state, county and municipal taxation.

SEC. 5. 1. The authority shall be directed and governed by a board of trustees composed of seven persons.

2. The City of Reno shall be represented on the board by four members, the City of Sparks by one member and Washoe County by two members, appointed as specified in this section. Within 30 days after the effective date of this act the city councils of the cities of Reno and Sparks and the board of county commissioners of Washoe County shall appoint their representatives to serve on the board of trustees.

3. The term of office of the members of the board of trustees shall be at the pleasure of the appointing authority in each case, but each appointment shall be reviewed no less often than every 4 years.

4. The position of a member of the board of trustees shall be considered vacated upon his loss of any of the qualifications required for his appointment and in such event the appointing authority shall appoint a successor.

SEC. 6. 1. Each member of the board shall file with the county clerk:

(a) His oath of office.

(b) A corporate surety bond furnished at authority expense, in an amount not to exceed \$5,000, and conditioned for the faithful performance of his duties as a member of the board.

2. No member of the board, during his term thereon, may hold any elective office, have any financial interest in the aviation industry or be interested as a private purveyor in any contract or transaction with the board or the authority.

3. Each member of the board is entitled to receive \$160 per month or \$40 for each regular board meeting attended, whichever is less.

SEC. 7. 1. The board shall choose one of its members as chairman and one of its members as vice chairman, and shall elect a secretary and a treasurer, who may be members of the board. The secretary and the treasurer may be one person.

2. The secretary shall keep, in a well-bound book, a record of all of the proceedings of the board, minutes of all meetings, certificates, contracts, bonds given by employees, and all other acts of the board. The minute book and records shall be open to the inspection of all interested persons, at all reasonable times and places.

3. The treasurer shall keep, in permanent records, strict and accurate accounts of all money received by and disbursed for and on behalf of the board and the authority. He shall file with the county clerk, at authority expense, a corporate fidelity bond in an amount not less than \$25,000, conditioned for the faithful performance of his duties.

SEC. 8. 1. The board shall meet regularly at a time and in a place to be designated by the board. Special meetings may be held as often as the needs of the board require, on notice to each board member.

2. A majority of the members shall constitute a quorum at any meeting. Every motion and resolution of the board shall be adopted by at least

1 a majority of the members present and constituting the quorum at such  
2 meeting.  
3 3. The board shall adopt a seal.  
4 SEC. 9. The board shall comply with the provisions of the Local  
5 Government Purchasing Act and the Local Government Budget Act.  
6 SEC. 10. The authority may do all things necessary to accomplish the  
7 purposes of this act. The authority may, by reason of example and not  
8 of limitation:  
9 1. Have perpetual succession and sue and be sued.  
10 2. Plan, establish, acquire, construct, improve and operate one or  
11 more airports within Washoe County.  
12 3. Acquire real or personal property or any interest therein by gift,  
13 lease or purchase for any of the purposes provided in this section, includ-  
14 ing the elimination, prevention or marking of airport hazards.  
15 4. Sell, lease or otherwise dispose of any real property.  
16 5. Acquire real property or any interest therein in areas most affected  
17 by aircraft noise for the purpose of resale or lease thereof, subject to  
18 restrictions limiting its use to industrial or other purposes least affected  
19 by aircraft noise.  
20 6. Enter into agreements with Washoe County and the cities of Reno  
21 and Sparks to acquire, by lease, gift, purchase or otherwise, any airport  
22 of such county or municipality and to operate such airport.  
23 7. With the approval of the board of county commissioners of Washoe  
24 County, exercise the power of eminent domain and dominant eminent  
25 domain in the manner provided by law for the condemnation by a city  
26 of private property for public use to take any property necessary to the  
27 exercise of the powers granted, within Washoe County.  
28 8. Apply directly to the proper federal, state, county and municipal  
29 officials and agencies or to any other source, public or private, for loans,  
30 grants, guarantees or other financial assistance in aid of airports operated  
31 by it, and accept the same.  
32 9. Study and recommend to the board of county commissioners of  
33 Washoe County and the city councils of the cities of Reno and Sparks  
34 zoning changes in the area of any airport operated by the authority with  
35 respect to height and aviation obstructions in order to enable the author-  
36 ity to meet the requirements of any Federal Aviation Administration  
37 regulations.  
38 10. Have control of its airport with the right and duty to establish  
39 and charge fees, rentals, rates and other charges, and collect revenues  
40 therefrom, not inconsistent with the rights of the holders of its bonds,  
41 and enter into agreements with carriers for the payment of landing fees,  
42 rental rates and other charges.  
43 11. Use in the performance of its functions the officers, agents,  
44 employees, services, facilities, records and equipment of Washoe County  
45 or the cities of Reno and Sparks, with the consent of any such county  
46 or municipality, and subject to such terms and conditions as may be  
47 agreed upon.  
48 12. Enter upon such lands, waters or premises as in the judgment of

1 the authority may be necessary for the purpose of making surveys, sound-  
2 ings, borings and examinations to accomplish any purpose authorized by  
3 this act. The authority is liable for actual damage done.  
4 13. Provide its own fire protection, police and crash and rescue  
5 service.  
6 14. Contract with carriers with regard to landings and the accommo-  
7 dation of the employees and passengers of such carriers.  
8 15. Contract with persons or corporations to provide goods and  
9 services for the use of the employees and passengers of the carriers and  
10 the employees of the authority, as necessary or incidental to the operation  
11 of the airport.  
12 16. Hire and retain officers, agents and employees, including a fiscal  
13 advisor, engineers, attorneys or other professional or specialized per-  
14 sonnel.  
15 SEC. 11. The board has and may exercise all rights and powers  
16 necessary or incidental to or implied from the specific powers granted in  
17 this act. Such specific powers are not a limitation upon any power neces-  
18 sary or appropriate to carry out the purposes and intent of this act.  
19 SEC. 12. In addition to the other means for providing revenue for  
20 the authority, the board, subject to the approval of the board of county  
21 commissioners of Washoe County, has power to levy and collect general  
22 (ad valorem) taxes on and against all taxable property within the geo-  
23 graphical boundaries of the authority, such levy and collection to be made  
24 by the board in conjunction with the county and its officers as set forth in  
25 this act.  
26 SEC. 13. 1. To levy and collect taxes, the board shall determine, in  
27 each year, the amount of money necessary to be raised by taxation, taking  
28 into consideration other sources of revenue of the authority, and shall, sub-  
29 ject to the approval of the board of county commissioners of Washoe  
30 County, fix a rate of levy which, when levied upon every dollar of assessed  
31 valuation of taxable property within the geographical boundaries of the  
32 authority, and together with other revenues, will raise the amount  
33 required by the authority annually to supply funds for paying the costs  
34 of acquiring, operating and maintaining the airports of the authority, and  
35 promptly to pay in full, when due, all interest on and principal of general  
36 obligation bonds and other general obligations of the authority. In the  
37 event of accruing defaults or deficiencies, an additional levy may be  
38 made as provided in section 14 of this act.  
39 2. The board shall certify to the board of county commissioners of  
40 Washoe County, at the same time as fixed by law for certifying thereto  
41 tax levies of incorporated cities, the rate so fixed with directions that at  
42 the time and in the manner required by law for levying taxes for county  
43 purposes the board of county commissioners shall levy such tax upon  
44 the assessed valuation of all taxable property within the geographical  
45 boundaries of the authority, in addition to such other taxes as may be  
46 levied by the board of county commissioners at the rate so fixed and  
47 determined.  
48 SEC. 14. 1. The board, in certifying annual levies, shall take into  
49 account the maturing general obligation indebtedness for the ensuing  
50 year as provided in its contracts, maturing general obligation bonds and

1 interest on such bonds, and deficiencies and defaults of prior years, and  
2 shall make ample provision for the payment thereof.

3 2. If the money produced from these levies, together with other reve-  
4 nues of the authority, are not sufficient punctually to pay the annual  
5 installments on such obligations, and interest thereon, and to pay defaults  
6 and deficiencies, the board shall make, with the approval of the board of  
7 county commissioners of Washoe County, such additional levies of taxes as  
8 may be necessary for such purposes, and, notwithstanding any limitations,  
9 the taxes shall be made and continue to be levied until the general obli-  
10 gation indebtedness of the authority is fully paid.

11 SEC. 15. 1. The body having authority to levy taxes within each  
12 county shall levy the taxes provided in this act.

13 2. All officials charged with the duty of collecting taxes shall collect  
14 the taxes at the time and in the same form and manner, and with like  
15 interest and penalties, as other taxes are collected and when collected  
16 shall pay the same to the authority. The payment of such collections  
17 shall be made monthly to the treasurer of the authority and paid into the  
18 depository thereof to the credit of the authority.

19 3. All taxes levied under this act, together with interest thereon and  
20 penalties for default in payment thereof, and all costs of collecting such  
21 taxes, interest and penalties constitute, until paid, a perpetual lien on and  
22 against the property taxed; and the lien shall be on a parity with the tax  
23 lien of other general taxes.

24 SEC. 16. If the taxes levied are not paid as provided in this act, the  
25 property subject to the tax lien shall be sold and the proceeds thereof  
26 shall be paid over to the authority according to the provisions of the laws  
27 applicable to tax sales and redemptions.

28 SEC. 17. Whenever any indebtedness or other obligations have been  
29 incurred by the authority, the board may, with the approval of the board  
30 of county commissioners of Washoe County, levy taxes and collect reve-  
31 nue for the purpose of creating funds in such amount as the board may  
32 determine, which may be used to meet the obligations of the authority,  
33 for maintenance and operating charges and depreciation, and provide  
34 extension of and betterments to the airports of the authority.

35 SEC. 18. Upon the conditions and under the circumstances set forth  
36 in this act, the authority may borrow money and issue the following  
37 securities to evidence such borrowing:

38 1. Short-term notes, warrants and interim debentures.

39 2. General obligation bonds.

40 3. Revenue bonds.

41 SEC. 19. The authority may borrow money and incur or assume  
42 indebtedness therefor, as provided in this act, so long as the total of all  
43 such indebtedness (but excluding revenue bonds and other securities  
44 constituting special obligations which are not debts) does not exceed  
45 an amount equal to 5 percent of the total of the last assessed valuation  
46 of taxable property (excluding motor vehicles) situated within the  
47 geographical boundaries of the authority.

48 SEC. 20. 1. The authority, upon the affirmative vote of five trustees  
49 and with the approval of the board of county commissioners of Washoe  
50 County, is authorized to borrow money without an election in anticipation

1 of the collection of taxes or other revenues and to issue short-term notes,  
2 warrants and interim debentures to evidence the amount so borrowed.

3 2. Such short-term notes, warrants and interim debentures:

4 (a) Shall be payable from the fund for which the money was borrowed.

5 (b) Shall mature before the close of the fiscal year in which the money  
6 is so borrowed, except for interim debentures.

7 (c) Shall not be extended or funded except in compliance with the  
8 Local Government Securities Law.

9 SEC. 21. 1. Subject to the provisions of NRS 350.001 to 350.006,  
10 inclusive, whenever the board determines, by resolution, that the interest  
11 of the authority and the public interest or necessity demand the issue of  
12 general obligation bonds to purchase, construct, or otherwise acquire,  
13 maintain, improve or equip airports, the board shall order the submis-  
14 sion of the proposition of issuing such bonds to the registered voters of  
15 the authority at an election held for that purpose in the manner provided  
16 by NRS 350.020 to 350.070, inclusive.

17 2. Any such election may be held separately, or may be consolidated  
18 or held concurrently with any other election authorized by law.

19 3. The declaration of public interest or necessity required by this sec-  
20 tion and the provision for the holding of such election may be included  
21 within one and the same resolution, which resolution, in addition to the  
22 declaration of public interest or necessity, shall:

23 (a) Recite the objects and purposes for which the indebtedness is pro-  
24 posed to be incurred, the estimated cost of the works or improvements, as  
25 the case may be, the maximum amount of principal of the indebtedness to  
26 be incurred therefor, and the maximum rate of interest to be paid on the  
27 indebtedness.

28 (b) Fix the date upon which the election shall be held and the manner  
29 of holding it and the method of voting for or against the incurring of the  
30 proposed indebtedness.

31 (c) Fix the compensation to be paid the officers of the election, desig-  
32 nate the polling place or places and appoint, for each polling place from  
33 the electors of the authority, three officers of such election, one of whom  
34 shall act as clerk.

35 SEC. 22. 1. The election board or boards shall conduct the election in  
36 the manner prescribed by law for the holding of general elections, and  
37 shall make their returns to the secretary of the authority.

38 2. At any regular or special meeting of the board held within 5 days  
39 following the date of the election, the returns thereof shall be canvassed  
40 and the results thereof declared.

41 SEC. 23. 1. If it appears from the returns that the registered voters  
42 of the authority approved the proposition submitted in the manner pro-  
43 vided by NRS 350.070, the authority shall thereupon be authorized to  
44 issue and sell such bonds of the authority for the purpose or purposes  
45 and object or objects provided for in the proposition submitted and in  
46 the resolution therefor, and in the amount so provided and at a rate of  
47 interest not exceeding the rate of interest recited in such resolution.

48 2. Submission of the proposition of incurring such bonded indebted-  
49 ness at such an election does not prevent or prohibit submission of the

proposition or other propositions at any subsequent election or elections called for that purpose.

SEC. 24. The authority may issue bonds (without the necessity of holding an election and as an alternative or in addition to other forms of borrowing authorized in this act) for the purpose of acquiring or improving airports, and the bonds shall be made payable solely out of the net revenues derived from the operation of such airports or the furnishing of services, or from both such revenue sources of the authority; but a single bond issue may be had for more than one of such airports or services and the revenues for any of the income-producing airports and services provided by the authority may be pledged to pay for any other such airport or service. To that end, a single utility fund for any number of such airports and services may be established and maintained.

SEC. 25. 1. Subject to the limitations and other provisions in this act, the board may issue on its behalf and in its name at any time or from time to time, as the board may determine, the following types of securities in accordance with the provisions of the Local Government Securities Law, except as otherwise provided in subsection 3:

(a) General obligation bonds and other general obligation securities payable from general (ad valorem) property taxes;

(b) General obligation bonds and other general obligation securities payable from general (ad valorem) property taxes, the payment of which securities is additionally secured by a pledge of and lien on net revenues;

(c) Revenue bonds and other securities constituting special obligations and payable from net revenues, but excluding the proceeds of any general (ad valorem) property taxes, which payment is secured by a pledge of and lien on such net revenues; or

(d) Any combination of such securities.

2. Nothing in this act prevents the authority from funding, refunding or reissuing any outstanding securities of the authority of a type designated in subsection 1 as provided in the Local Government Securities Law.

3. General obligation or revenue bonds may be sold for not less than 90 percent of their face amount and for an interest coupon rate of not to exceed 9 percent per annum, without regard to effective interest rate. If no bids are received or if the bid or bids received are not satisfactory as to price or responsibility of the bidder, the bonds may be readvertised or sold at private sale.

SEC. 26. The board may provide for the appointment of a paying or fiscal agency within or without the state, in relation to any general obligation or revenue bonds of the authority, which shall be a bank possessing trust powers and which shall act in a fiduciary capacity and not as a depository, and may:

1. Provide for the powers, duties, functions and compensation of the agent.

2. Limit the liabilities of the agent.

3. Prescribe a method for his resignation and removal, and the merger or consolidation of agents.

4. Prescribe a method for the appointment of a successor agent and the transfer of rights and properties to the successor.

SEC. 27. 1. Bonds issued pursuant to this act, and the income therefrom, are exempt from all state, county and municipal taxation.

2. All public officers and bodies of the state, municipal corporations, political subdivisions, all insurance companies and associations, all savings banks and savings institutions, including savings and loan associations, all executors, administrators, guardians, trustees and all other fiduciaries in the state may legally invest funds within their control in bonds of the authority.

SEC. 28. The authority is a public employer within the meaning of NRS 286.070, and the provisions of chapter 286 of NRS (Public Employees' Retirement Act) apply to the authority and its employees.

SEC. 29. The authority by action of the board may adopt its own civil service plan to be administered by the board, which plan shall include but need not be limited to the following provisions:

1. Entry into the service on the basis of open competition.

2. Service, promotions and remuneration on the basis of merit, efficiency and fitness.

3. Classifications of the positions in the service.

4. The rating of candidates on the basis of publicly announced competitive examinations and the maintenance of lists of eligible candidates.

5. Employment of candidates from the eligible lists in the highest qualified rating.

6. Probationary periods not to exceed 6 months.

7. Disciplinary action, suspension or discharge of employees for cause only with the right of notice and review.

8. Schedules of compensation and pay increases prepared by the board.

9. Promotion on the basis of ascertained merit, seniority in service and competitive examinations.

10. Provision for keeping service records on all employees.

11. Regulations for hours of work, attendance, holidays, leaves of absence and transfers.

12. Procedures for layoffs, discharge, suspension, discipline and reinstatement.

13. The exemption from civil service of persons employed to render professional, scientific, technical or expert service of a temporary or exceptional character, persons employed on projects paid from the proceeds of bonds issued by the authority and persons employed for a period of less than 3 months in any 12-month period.

14. Review by the board, at the request of the employee in question and after notice and public hearing of any disciplinary action, suspension or discharge of any employee, which action, suspension or discharge may be affirmed, modified or reversed by the board. Findings of fact by the board are subject to review by any court except for illegality or want of jurisdiction.

SEC. 30. Nothing contained in this act limits any power of the cities of Reno and Sparks or Washoe County to regulate airport hazards by zoning.

SEC. 31. 1. It is the duty of the board of trustees of the authority and the city council of the City of Reno, before October 1, 1977, to

1 enter into an agreement for the orderly transfer to the authority of the  
2 airport properties, functions and outstanding obligations of the City of  
3 Reno, not inconsistent with the rights of existing bondholders, effective  
4 July 1, 1978. The agreement may include provisions for the transfer of  
5 the City of Reno airport employees to the authority with the retention  
6 by the employees of any civil service status.

7 2. On July 1, 1978:

8 (a) Any money on hand or to become available to the City of Reno  
9 for airport purposes shall be paid directly to the authority.

10 (b) The City of Reno shall deliver to the authority all property ordi-  
11 narily and appropriately used in the operation and maintenance of the  
12 airport.

13 (c) The authority shall assume the obligations issued and accounts  
14 payable by the City of Reno for airport purposes.

15 3. During the fiscal year ending June 30, 1978, the City of Reno  
16 shall continue the operation and maintenance of its airport but its  
17 operation and maintenance shall cease on July 1, 1978. Thereafter the  
18 cities of Reno and Sparks shall not exercise any powers relating to air-  
19 ports vested in their city councils or the cities by special or general law.

20 4. The board of trustees of the authority first appointed pursuant to  
21 the provisions of this act shall:

22 (a) Meet promptly after their appointment and organize.

23 (b) Execute the mandatory agreement specified in subsection 1 of this  
24 section.

25 (c) Prepare the necessary budgets for the authority for the fiscal year  
26 ending June 30, 1979, pursuant to law.

27 (d) Assume full control, operation and maintenance of the Reno  
28 municipal airport on July 1, 1978, and exercise fully thereafter all of the  
29 powers and assume all of the duties granted to and imposed upon the  
30 board by this act.

31 SEC. 32. If any provision of this act or the application thereof to any  
32 person or circumstances is held invalid, such invalidity shall not affect  
33 other provisions or applications of the act which can be given effect  
34 without the invalid provision or application, and to this end the provi-  
35 sions of this act are declared to be severable.

36 SEC. 33. 1. If either city fails to appoint its representatives to the  
37 board of trustees of the authority as required by section 5 of this act,  
38 the board of county commissioners of Washoe County shall appoint the  
39 required number of residents of that city to represent it.

40 2. If any action is brought to have this act or any of its provisions  
41 declared invalid or to contest the legal status of the authority, before  
42 the authority has received money sufficient to employ an attorney, the  
43 district attorney of Washoe County shall defend the action on behalf of  
44 the authority.

Remarks by Assemblyman Mello.

Roll call on Assembly Bill No. 646:

YEAS—37.

NAYS—Harmon.

Absent—Brookman.

Not voting—Hayes.

Assembly Bill No. 646 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 716.

Bill read third time.

Remarks by Assemblyman Murphy.

Roll call on Assembly Bill No. 716:

YEAS—38.

NAYS—Polish.

Absent—Brookman.

Assembly Bill No. 716 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Assembly Bill No. 723.

Bill read third time.

Remarks by Assemblyman Mello.

Roll call on Assembly Bill No. 723:

YEAS—37.

NAYS—Jeffrey, Robinson—2.

Absent—Brookman.

Assembly Bill No. 723 having received a constitutional majority, Mr. Speaker declared it passed, as amended.

Bill ordered transmitted to the Senate.

Mr. Speaker announced that if there were no objections, the Assembly would recess subject to the call of the Chair.

Assembly in recess at 4:38 p.m.

#### ASSEMBLY IN SESSION

At 4:39 p.m.

Mr. Speaker pro Tempore presiding.

Quorum present.

#### GENERAL FILE AND THIRD READING

Senate Bill No. 198.

Bill read third time.

Remarks by Assemblymen Murphy and Robinson.

Roll call on Senate Bill No. 198:

YEAS—37.

NAYS—Jeffrey, Weise—2.

Absent—Brookman.

Senate Bill No. 198 having received a constitutional majority, Mr. Speaker pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Senate.

SENATE  
GOVERNMENT AFFAIRS COMMITTEE

Minutes of Meeting - May 5, 1977

Present:

Chairman Gibson  
Senator Foote  
Senator Faiss  
Senator Gojack  
Senator Raggio  
Senator Schofield

Also Present: See Guest Register

Chairman Gibson opened the forty-fifth meeting of the Government Affairs Committee at 1:40 p.m. with all members present.

AB-634

Provides for withholding progress payments on public works projects under certain circumstances. (BDR 28-1509)

Stan Jones, Commissioner of Labor, testified in favor of the bill stating that it is impossible for him to visit each public works job throughout Nevada and this bill will help in this area. Mr. Jones noted that sometimes it was made most difficult for him to review records on location, this bill will give the contractor and subcontractor some incentive to cooperate with his office.

Lou Paley, A.F.L.C.I.O., testified in favor of the bill and concurred with Mr. Jones' testimony.

Motion of "Do Pass" by Senator Hilbrecht, seconded by Senator Schofield. Motion carried unanimously.

AB-437

Requires posting of notices of meetings of public bodies and voids improper actions; creates vacancy in public office for attendance at unlawful meeting. (BDR 18-1715)

Robert Cox, Legal counsel for Washoe County School District, stated that they still have some problems with the bill. Mr. Cox preferred the word "administrative" be deleted from line 9 on page 1. Questioned if "administrative" would mean the cabinet of a school district. Mr. Cox felt very strongly that the negotiation meetings for contracts should be closed. Mr. Cox further stressed when a student is being considered for suspension or dismissal this should be closed to the public also. Another point of concern was on the definition of "emergency". Mr. Cox felt that the definition was narrowly defined and should be defined as a danger to the welfare of the people. The next point of concern was over the period of voidability. Their bonding counsel indicated that they would not be able to give an opinion with this provision in the bill. The forfeiture of office was too severe a penalty in Mr. Cox's opinion. Mr. Cox concluded that in SB-333 the 2/3rds vote would be hard to follow when a member of the board would like to have a closed meeting on personnel matters. This should be

SB-62

Provides for codification and review of administrative regulations.  
(BDR 18-107)

The committee discussed both AB-710 and SB-62 in the amended form by the Assembly. It was felt that AB-710 should be amended to provide for the provisions in SB-62.

Wil Crockett, Bill Drafter from the L.C.B. who was involved in the drafting of AB-710 stated that the difference between the two bills was that SB-62 provided a milder form for regulatory review. SB-62 also provided for codification. He noted that AB-710 would add 35 days time to the period that it would become effective and it also provides for the waiver of review.

Chairman Gibson stated that in talking with Senator Dodge, sponsor of SB-62, it was his feeling that the committee could do as they desired on this bill. The Chairman recommended that we adopt AB-710 with the key provisions agreed upon by the committee in SB-62.

Senator Hilbrecht stated that he would like to provide language in AB-710 to provide that the legislative commission would review the administrative regulations as a regular part of their meetings. He also wanted the Legislative Counsel Bureau to review and make recommendations.

Chairman Gibson stated that he also talked with Assemblyman Dini and he was in agreement with the amendment suggestion that Senator Hilbrecht requested.

Motion to "Amend and Do Pass" by Senator Gojack, seconded by Senator Faiss. Motion carried unanimously. (Amendment was to have the Legislative Counsel Bureau review and make recommendation to the Legislative Commission. It was also decided that this would become a regular part of the commission meetings. Chairman Gibson requested Senator Hilbrecht to get the amendments.

Chairman Gibson asked the committee to consider concurring with the amendments in SB-62. Motion to "Concur with Amendments to SB-62 by Senator Raggio, seconded by Senator Gojack. Motion carried unanimously.

SB-440

Revises mediation and factfinding provisions of local government labor relations law and provides for arbitration. (BDR 23-1850)

Chairman Gibson had the amendments prepared for the committee's consideration, (See Attachment #2) and read them to the committee. The Chairman then recommended that the committee concur with the amendments.

Motion to "Concur with the Amendments to SB-440" by Senator Raggio, seconded by Senator Gojack. Motion carried unanimously.

SB-198

Creates Washoe County Airport Authority. (BDR S-847)



Senate Government Affairs  
Minutes of Meeting No. 45  
May 5, 1977  
Page 6

Chairman Gibson passed out copies of the amendments to SB-198 as agreed upon by the Assembly Government Affairs committee. (See Attachment #3)

Senator Raggio made a motion to concur with the Assembly Amendments to SB-198, seconded by Senator Faiss. Motion carried with one no vote cast by Senator Foote.

AB-445

Prohibits local government approval of subdivision map without plan for installing watermeters. (BDR 22-1525)

Bob Warren, Nevada League of Cities, testified to the committee that in Elko there is a high content of sand in the water which will erode the water meter over a period of time. The only alternative to this is to provide a filtering system which would be very costly to the small communities. Mr. Warren requested some amendatory language which would provide some flexibility in communities with similar problems as experienced in Elko.

Senator Hilbrecht felt that the bill did not mandate that they install water meters immediately but that they provide planning for such installations.

Motion of "Do Pass" by Senator Hilbrecht, seconded by Senator Faiss. Motion carried with one no vote cast by Senator Raggio.

At this point the meeting was recessed and reconvened at 9:00 a.m. on May 6, 1977.

Chairman Gibson called the meeting to order with all present at 9:00 a.m. on May 6.

AB-716

Authorizes State Land Registrar to convey, by quitclaim deed, certain real property to City of Reno. (BDR S-1722)

Norman Hall, Director of Department of Conservation and Natural Resources was on hand to familiarize the committee with a map indicating the land in question. Mr. Dell Rice, Property Manager for the City of Reno was also on hand to go over the map and answer any questions that the committee had on the bill.

Russ McDonald, Washoe County, stated that he was instructed by the County Commissioners Association to object to the bill with regards to the language in Section 1. This objection has been disregarded and it is now felt that the County can work out the problems and live with the bill in the present form.

Motion of "Do Pass" by Senator Raggio, seconded by Senator Schofield. Motion carried unanimously.

Senator Raggio had the amendments in printed form on AB-401. This bill was amended in Meeting No. 42, April 29, 1977 and the motion during that meeting was "Amend and Do Pass". The amendments as printed were acceptable to the committee.

## ASSEMBLY ACTION

## SENATE ACTION

ASSEMBLY / ~~SENATE~~ AMENDMENT BLANKSenate  
Amendments to Assembly

145

Amendments to Assembly

Bill / ~~Joint Resolution~~ No. 198 (BDR S-847)

Proposed by Committee on Government Affairs

Adopted ☐Adopted ☐Lost ☐Lost ☐Date: ☐Date: ☐Initial: ☐Initial: ☐Concurred in ☐Concurred in ☐Not concurred in ☐Not concurred in ☐Date: ☐Date: ☐Initial: ☐Initial: ☐1977 Amendment N<sup>o</sup> 1027 A

Amend section 3, page 2, line 47, by deleting the period and inserting:  
", as amended."

Amend section 6, page 3, by deleting line 28 and inserting:

"3. Each member of the board is entitled to receive \$160 per month or \$40".

Amend section 21, page 7, by deleting lines 9 to 12, inclusive, and inserting:

"of the authority and the public interest or necessity demand the issue of general obligation bonds to purchase, construct, or otherwise acquire, maintain, improve or equip airports, the board shall order the submission of the proposition of issuing such bonds to the registered voters of the authority at an election".

Amend section 23, page 7, by deleting lines 42 and 43, and inserting:  
"issue and sell such bonds of the authority for the".

Amend section 23, page 7, by deleting lines 48 and 49 and inserting:

"2. Submission of the proposition of incurring such bonded indebtedness at such an election does not prevent or".

ASSEMBLY ACTION		SENATE ACTION		ASSEMBLY / <del>SENATE</del> AMENDMENT BLANK
Adopted <input type="checkbox"/>		Adopted <input type="checkbox"/>		Amendments to <del>Assembly</del> / Senate
Lost <input type="checkbox"/>		Lost <input type="checkbox"/>		Bill / <del>Assembly</del> Resolution No. 198 (BDR S-847)
Date:		Date:		Proposed by <u>Committee on Government Affairs</u>
Initial:		Initial:		
Concurred in <input type="checkbox"/>		Concurred in <input type="checkbox"/>		
Not concurred in <input type="checkbox"/>		Not concurred in <input type="checkbox"/>		
Date:		Date:		
Initial:		Initial:		

1977 Amendment N<sup>o</sup> 170



Amend the bill as a whole by adding a new section designated section 33, following section 32 to read:

"Sec. 33. 1. If either city fails to appoint its representatives to the board of trustees of the authority as required by section 5 of this act, the board of county commissioners of Washoe County shall appoint the required number of residents of that city to represent it.

2. If any action is brought to have this act or any of its provisions declared invalid or to contest the legal status of the authority, before the authority has received money sufficient to employ an attorney, the district attorney of Washoe County shall defend the action on behalf of the authority."

Senate Bill No. 198—Senators Raggio, Young, Wilson and Gojack

CHAPTER 474

AN ACT creating the Washoe County Airport Authority; making legislative findings and declarations; defining certain words and terms; providing for the appointment, number, terms, compensation, duties and powers of a board of trustees; specifying the powers of the authority, including the power to levy and collect general (ad valorem) taxes, borrow money and issue securities to evidence such borrowing; requiring the transfer of airport properties, functions and outstanding obligations of the City of Reno to the authority; and providing other matters properly relating thereto.

[Approved May 12, 1977]

*The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:*

SECTION 1. This act may be cited as the Washoe County Airport Authority Act.

SEC. 2. 1. The legislature finds that:

(a) The airport of the City of Reno has traditionally been operated by the city as a municipal function and originally served primarily the city residents.

(b) With the development of multiple contiguous communities, suburban living and rapid increases in recreational pursuits by the traveling public, the airport of the City of Reno is now serving the inhabitants of a large geographical area and ever-increasing numbers of tourists.

(c) What was once a municipal airport in both name and fact is now a regional airport.

(d) The financial problems of the airport have become more complex and administrative activities are required to be more responsive to the community at large and the directly paying airport tenants and users.

(e) The City of Reno is unable to operate the airport effectively within the traditional framework of local government, evidencing the need to create a special governmental corporation to provide specific facilities and services to the public.

(f) Development of the modern airport requires the expenditure of vast sums of money for land acquisitions and capital improvements not available to the City of Reno through the issuance of municipal securities secured by general obligation tax receipts.

(g) Because of special circumstances and conditions a general law cannot be made applicable, and this special act will allow the tax burden to spread over Washoe County rather than coming to rest solely upon the principal municipality of Washoe County.

(h) This act will accommodate the expanding urban population patterns, provide adequate funding and establish the administrative machinery necessary to insure adequate air service to the region.

2. It is hereby declared as a matter of legislative determination that:

(a) The organization of the Washoe County Airport Authority having the purposes, powers, rights, privileges and immunities provided in this act will serve a public use and will promote the general welfare by facilitating safe and convenient air travel and transport to and from the Reno area.

(b) The acquisition, operation and financing of airports and related facilities by the Washoe County Airport Authority is for a public and governmental purpose and a matter of public necessity.

(c) The Washoe County Airport Authority is a body corporate and politic and a quasi-municipal corporation, the geographical boundaries of which are conterminous with the boundaries of Washoe County.

(d) For the accomplishment of the purposes stated in this subsection, the provisions of this act shall be broadly construed.

SEC. 3. As used in this act the following words or phrases are defined as follows:

1. "Airport" means any one or more airports or heliports and related facilities, including but not limited to land and interests in land, facilities for storage of air and space craft, navigation and landing aids, taxiways, pads, aprons, control towers, passenger and cargo terminal buildings, hangars, administration and office buildings, garages, parking lots and such other structures, facilities and improvements as are necessary or convenient to the development and maintenance of airports and heliports and for the promotion and accommodation of air and space travel, commerce and navigation.

2. "Authority" means the Washoe County Airport Authority created pursuant to the provisions of this act.

3. "Board of trustees" and "board" each means the board of trustees of the authority.

4. "Carrier" means any person or corporation engaged in the air or space transportation of passengers or cargo.

5. "City of Reno" means the municipal corporation in Washoe County, Nevada, created and existing pursuant to the provisions of chapter 662, Statutes of Nevada 1971, as amended.

6. "City of Sparks" means the municipal corporation in Washoe County, Nevada, created and existing pursuant to the provisions of chapter 470, Statutes of Nevada 1975, as amended.

7. "Washoe County" means the county created by and described in NRS 243.340.

SEC. 4. 1. The Washoe County Airport Authority is hereby created.

2. The property and revenues of the authority, or any interest therein, are exempt from all state, county and municipal taxation.

SEC. 5. 1. The authority shall be directed and governed by a board of trustees composed of seven persons.

2. The City of Reno shall be represented on the board by four members, the City of Sparks by one member and Washoe County by two members, appointed as specified in this section. Within 30 days after the effective date of this act the city councils of the cities of Reno and Sparks and the board of county commissioners of Washoe County shall appoint their representatives to serve on the board of trustees.

3. The term of office of the members of the board of trustees shall be at the pleasure of the appointing authority in each case, but each appointment shall be reviewed no less often than every 4 years.

4. The position of a member of the board of trustees shall be considered vacated upon his loss of any of the qualifications required for his appointment and in such event the appointing authority shall appoint a successor.

SEC. 6. 1. Each member of the board shall file with the county clerk:

(a) His oath of office.

(b) A corporate surety bond furnished at authority expense, in an amount not to exceed \$5,000, and conditioned for the faithful performance of his duties as a member of the board.

2. No member of the board, during his term thereon, may hold any elective office, have any financial interest in the aviation industry or be interested as a private purveyor in any contract or transaction with the board or the authority.

3. Each member of the board is entitled to receive \$160 per month or \$40 for each regular board meeting attended, whichever is less.

SEC. 7. 1. The board shall choose one of its members as chairman and one of its members as vice chairman, and shall elect a secretary and a treasurer, who may be members of the board. The secretary and the treasurer may be one person.

2. The secretary shall keep, in a well-bound book, a record of all of the proceedings of the board, minutes of all meetings, certificates, contracts, bonds given by employees, and all other acts of the board. The minute book and records shall be open to the inspection of all interested persons, at all reasonable times and places.

3. The treasurer shall keep, in permanent records, strict and accurate accounts of all money received by and disbursed for and on behalf of the board and the authority. He shall file with the county clerk, at authority expense, a corporate fidelity bond in an amount not less than \$25,000, conditioned for the faithful performance of his duties.

SEC. 8. 1. The board shall meet regularly at a time and in a place to be designated by the board. Special meetings may be held as often as the needs of the board require, on notice to each board member.

2. A majority of the members shall constitute a quorum at any meeting. Every motion and resolution of the board shall be adopted by at least a majority of the members present and constituting the quorum at such meeting.

3. The board shall adopt a seal.

SEC. 9. The board shall comply with the provisions of the Local Government Purchasing Act and the Local Government Budget Act.

SEC. 10. The authority may do all things necessary to accomplish the purposes of this act. The authority may, by reason of example and not of limitation:

1. Have perpetual succession and sue and be sued.

2. Plan, establish, acquire, construct, improve and operate one or more airports within Washoe County.

3. Acquire real or personal property or any interest therein by gift, lease or purchase for any of the purposes provided in this section, including the elimination, prevention or marking of airport hazards.

4. Sell, lease or otherwise dispose of any real property.

5. Acquire real property or any interest therein in areas most affected by aircraft noise for the purpose of resale or lease thereof, subject to restrictions limiting its use to industrial or other purposes least affected by aircraft noise.

6. Enter into agreements with Washoe County and the cities of Reno and Sparks to acquire, by lease, gift, purchase or otherwise, any airport of such county or municipality and to operate such airport.

7. With the approval of the board of county commissioners of Washoe County, exercise the power of eminent domain and dominant eminent domain in the manner provided by law for the condemnation by a city of private property for public use to take any property necessary to the exercise of the powers granted, within Washoe County.

8. Apply directly to the proper federal, state, county and municipal officials and agencies or to any other source, public or private, for loans, grants, guarantees or other financial assistance in aid of airports operated by it, and accept the same.

9. Study and recommend to the board of county commissioners of Washoe County and the city councils of the cities of Reno and Sparks zoning changes in the area of any airport operated by the authority with respect to height and aviation obstructions in order to enable the authority to meet the requirements of any Federal Aviation Administration regulations.

10. Have control of its airport with the right and duty to establish and charge fees, rentals, rates and other charges, and collect revenues therefrom, not inconsistent with the rights of the holders of its bonds, and enter into agreements with carriers for the payment of landing fees, rental rates and other charges.

11. Use in the performance of its functions the officers, agents, employees, services, facilities, records and equipment of Washoe County or the cities of Reno and Sparks, with the consent of any such county or municipality, and subject to such terms and conditions as may be agreed upon.

12. Enter upon such lands, waters or premises as in the judgment of the authority may be necessary for the purpose of making surveys, soundings, borings and examinations to accomplish any purpose authorized by this act. The authority is liable for actual damage done.

13. Provide its own fire protection, police and crash and rescue service.

14. Contract with carriers with regard to landings and the accommodation of the employees and passengers of such carriers.

15. Contract with persons or corporations to provide goods and services for the use of the employees and passengers of the carriers and the employees of the authority, as necessary or incidental to the operation of the airport.

16. Hire and retain officers, agents and employees, including a fiscal advisor, engineers, attorneys or other professional or specialized personnel.

SEC. 11. The board has and may exercise all rights and powers necessary or incidental to or implied from the specific powers granted in this act. Such specific powers are not a limitation upon any power necessary or appropriate to carry out the purposes and intent of this act.

SEC. 12. In addition to the other means for providing revenue for the authority, the board, subject to the approval of the board of county commissioners of Washoe County, has power to levy and collect general

(ad valorem) taxes on and against all taxable property within the geographical boundaries of the authority, such levy and collection to be made by the board in conjunction with the county and its officers as set forth in this act.

SEC. 13. 1. To levy and collect taxes, the board shall determine, in each year, the amount of money necessary to be raised by taxation, taking into consideration other sources of revenue of the authority, and shall, subject to the approval of the board of county commissioners of Washoe County, fix a rate of levy which, when levied upon every dollar of assessed valuation of taxable property within the geographical boundaries of the authority, and together with other revenues, will raise the amount required by the authority annually to supply funds for paying the costs of acquiring, operating and maintaining the airports of the authority, and promptly to pay in full, when due, all interest on and principal of general obligation bonds and other general obligations of the authority. In the event of accruing defaults or deficiencies, an additional levy may be made as provided in section 14 of this act.

2. The board shall certify to the board of county commissioners of Washoe County, at the same time as fixed by law for certifying thereto tax levies of incorporated cities, the rate so fixed with directions that at the time and in the manner required by law for levying taxes for county purposes the board of county commissioners shall levy such tax upon the assessed valuation of all taxable property within the geographical boundaries of the authority, in addition to such other taxes as may be levied by the board of county commissioners at the rate so fixed and determined.

SEC. 14. 1. The board, in certifying annual levies, shall take into account the maturing general obligation indebtedness for the ensuing year as provided in its contracts, maturing general obligation bonds and interest on such bonds, and deficiencies and defaults of prior years, and shall make ample provision for the payment thereof.

2. If the money produced from these levies, together with other revenues of the authority, are not sufficient punctually to pay the annual installments on such obligations, and interest thereon, and to pay defaults and deficiencies, the board shall make, with the approval of the board of county commissioners of Washoe County, such additional levies of taxes as may be necessary for such purposes, and, notwithstanding any limitations, the taxes shall be made and continue to be levied until the general obligation indebtedness of the authority is fully paid.

SEC. 15. 1. The body having authority to levy taxes within each county shall levy the taxes provided in this act.

2. All officials charged with the duty of collecting taxes shall collect the taxes at the time and in the same form and manner, and with like interest and penalties, as other taxes are collected and when collected shall pay the same to the authority. The payment of such collections shall be made monthly to the treasurer of the authority and paid into the depository thereof to the credit of the authority.

3. All taxes levied under this act, together with interest thereon and penalties for default in payment thereof, and all costs of collecting such taxes, interest and penalties constitute, until paid, a perpetual lien on and

against the property taxed; and the lien shall be on a parity with the tax lien of other general taxes.

SEC. 16. If the taxes levied are not paid as provided in this act, the property subject to the tax lien shall be sold and the proceeds thereof shall be paid over to the authority according to the provisions of the laws applicable to tax sales and redemptions.

SEC. 17. Whenever any indebtedness or other obligations have been incurred by the authority, the board may, with the approval of the board of county commissioners of Washoe County, levy taxes and collect revenue for the purpose of creating funds in such amount as the board may determine, which may be used to meet the obligations of the authority, for maintenance and operating charges and depreciation, and provide extension of and betterments to the airports of the authority.

SEC. 18. Upon the conditions and under the circumstances set forth in this act, the authority may borrow money and issue the following securities to evidence such borrowing:

1. Short-term notes, warrants and interim debentures.
2. General obligation bonds.
3. Revenue bonds.

SEC. 19. The authority may borrow money and incur or assume indebtedness therefor, as provided in this act, so long as the total of all such indebtedness (but excluding revenue bonds and other securities constituting special obligations which are not debts) does not exceed an amount equal to 5 percent of the total of the last assessed valuation of taxable property (excluding motor vehicles) situated within the geographical boundaries of the authority.

SEC. 20. 1. The authority, upon the affirmative vote of five trustees and with the approval of the board of county commissioners of Washoe County, is authorized to borrow money without an election in anticipation of the collection of taxes or other revenues and to issue short-term notes, warrants and interim debentures to evidence the amount so borrowed.

2. Such short-term notes, warrants and interim debentures:

- (a) Shall be payable from the fund for which the money was borrowed.
- (b) Shall mature before the close of the fiscal year in which the money is so borrowed, except for interim debentures.

(c) Shall not be extended or funded except in compliance with the Local Government Securities Law.

SEC. 21. 1. Subject to the provisions of NRS 350.001 to 350.006, inclusive, whenever the board determines, by resolution, that the interest of the authority and the public interest or necessity demand the issue of general obligation bonds to purchase, construct, or otherwise acquire, maintain, improve or equip airports, the board shall order the submission of the proposition of issuing such bonds to the registered voters of the authority at an election held for that purpose in the manner provided by NRS 350.020 to 350.070, inclusive.

2. Any such election may be held separately, or may be consolidated or held concurrently with any other election authorized by law.

3. The declaration of public interest or necessity required by this section and the provision for the holding of such election may be included

within one and the same resolution, which resolution, in addition to the declaration of public interest or necessity, shall:

(a) Recite the objects and purposes for which the indebtedness is proposed to be incurred, the estimated cost of the works or improvements, as the case may be, the maximum amount of principal of the indebtedness to be incurred therefor, and the maximum rate of interest to be paid on the indebtedness.

(b) Fix the date upon which the election shall be held and the manner of holding it and the method of voting for or against the incurring of the proposed indebtedness.

(c) Fix the compensation to be paid the officers of the election, designate the polling place or places and appoint, for each polling place from the electors of the authority, three officers of such election, one of whom shall act as clerk.

SEC. 22. 1. The election board or boards shall conduct the election in the manner prescribed by law for the holding of general elections, and shall make their returns to the secretary of the authority.

2. At any regular or special meeting of the board held within 5 days following the date of the election, the returns thereof shall be canvassed and the results thereof declared.

SEC. 23. 1. If it appears from the returns that the registered voters of the authority approved the proposition submitted in the manner provided by NRS 350.070, the authority shall thereupon be authorized to issue and sell such bonds of the authority for the purpose or purposes and object or objects provided for in the proposition submitted and in the resolution therefor, and in the amount so provided and at a rate of interest not exceeding the rate of interest recited in such resolution.

2. Submission of the proposition of incurring such bonded indebtedness at such an election does not prevent or prohibit submission of the proposition or other propositions at any subsequent election or elections called for that purpose.

SEC. 24. The authority may issue bonds (without the necessity of holding an election and as an alternative or in addition to other forms of borrowing authorized in this act) for the purpose of acquiring or improving airports, and the bonds shall be made payable solely out of the net revenues derived from the operation of such airports or the furnishing of services, or from both such revenue sources of the authority; but a single bond issue may be had for more than one of such airports or services and the revenues for any of the income-producing airports and services provided by the authority may be pledged to pay for any other such airport or service. To that end, a single utility fund for any number of such airports and services may be established and maintained.

SEC. 25. 1. Subject to the limitations and other provisions in this act, the board may issue on its behalf and in its name at any time or from time to time, as the board may determine, the following types of securities in accordance with the provisions of the Local Government Securities Law, except as otherwise provided in subsection 3:

(a) General obligation bonds and other general obligation securities payable from general (ad valorem) property taxes;

(b) General obligation bonds and other general obligation securities

payable from general (ad valorem) property taxes, the payment of which securities is additionally secured by a pledge of and lien on net revenues;

(c) Revenue bonds and other securities constituting special obligations and payable from net revenues, but excluding the proceeds of any general (ad valorem) property taxes, which payment is secured by a pledge of and lien on such net revenues; or

(d) Any combination of such securities.

2. Nothing in this act prevents the authority from funding, refunding or reissuing any outstanding securities of the authority of a type designated in subsection 1 as provided in the Local Government Securities Law.

3. General obligation or revenue bonds may be sold for not less than 90 percent of their face amount and for an interest coupon rate of not to exceed 9 percent per annum, without regard to effective interest rate. If no bids are received or if the bid or bids received are not satisfactory as to price or responsibility of the bidder, the bonds may be readvertised or sold at private sale.

SEC. 26. The board may provide for the appointment of a paying or fiscal agency within or without the state, in relation to any general obligation or revenue bonds of the authority, which shall be a bank possessing trust powers and which shall act in a fiduciary capacity and not as a depository, and may:

1. Provide for the powers, duties, functions and compensation of the agent.

2. Limit the liabilities of the agent.

3. Prescribe a method for his resignation and removal, and the merger or consolidation of agents.

4. Prescribe a method for the appointment of a successor agent and the transfer of rights and properties to the successor.

SEC. 27. 1. Bonds issued pursuant to this act, and the income therefrom, are exempt from all state, county and municipal taxation.

2. All public officers and bodies of the state, municipal corporations, political subdivisions, all insurance companies and associations, all savings banks and savings institutions, including savings and loan associations, all executors, administrators, guardians, trustees and all other fiduciaries in the state may legally invest funds within their control in bonds of the authority.

SEC. 28. The authority is a public employer within the meaning of NRS 286.070, and the provisions of chapter 286 of NRS (Public Employees' Retirement Act) apply to the authority and its employees.

SEC. 29. The authority by action of the board may adopt its own civil service plan to be administered by the board, which plan shall include but need not be limited to the following provisions:

1. Entry into the service on the basis of open competition.

2. Service, promotions and remuneration on the basis of merit, efficiency and fitness.

3. Classifications of the positions in the service.

4. The rating of candidates on the basis of publicly announced competitive examinations and the maintenance of lists of eligible candidates.

5. Employment of candidates from the eligible lists in the highest qualified rating.

6. Probationary periods not to exceed 6 months.
7. Disciplinary action, suspension or discharge of employees for cause only with the right of notice and review.
8. Schedules of compensation and pay increases prepared by the board.
9. Promotion on the basis of ascertained merit, seniority in service and competitive examinations.
10. Provision for keeping service records on all employees.
11. Regulations for hours of work, attendance, holidays, leaves of absence and transfers.
12. Procedures for layoffs, discharge, suspension, discipline and reinstatement.
13. The exemption from civil service of persons employed to render professional, scientific, technical or expert service of a temporary or exceptional character, persons employed on projects paid from the proceeds of bonds issued by the authority and persons employed for a period of less than 3 months in any 12-month period.
14. Review by the board, at the request of the employee in question and after notice and public hearing of any disciplinary action, suspension or discharge of any employee, which action, suspension or discharge may be affirmed, modified or reversed by the board. Findings of fact by the board are subject to review by any court except for illegality or want of jurisdiction.

SEC. 30. Nothing contained in this act limits any power of the cities of Reno and Sparks or Washoe County to regulate airport hazards by zoning.

SEC. 31. 1. It is the duty of the board of trustees of the authority and the city council of the City of Reno, before October 1, 1977, to enter into an agreement for the orderly transfer to the authority of the airport properties, functions and outstanding obligations of the City of Reno, not inconsistent with the rights of existing bondholders, effective July 1, 1978. The agreement may include provisions for the transfer of the City of Reno airport employees to the authority with the retention by the employees of any civil service status.

2. On July 1, 1978:

- (a) Any money on hand or to become available to the City of Reno for airport purposes shall be paid directly to the authority.
- (b) The City of Reno shall deliver to the authority all property ordinarily and appropriately used in the operation and maintenance of the airport.

(c) The authority shall assume the obligations issued and accounts payable by the City of Reno for airport purposes.

3. During the fiscal year ending June 30, 1978, the City of Reno shall continue the operation and maintenance of its airport but its operation and maintenance shall cease on July 1, 1978. Thereafter the cities of Reno and Sparks shall not exercise any powers relating to airports vested in their city councils or the cities by special or general law.

4. The board of trustees of the authority first appointed pursuant to the provisions of this act shall:

- (a) Meet promptly after their appointment and organize.

(b) Execute the mandatory agreement specified in subsection 1 of this section.

(c) Prepare the necessary budgets for the authority for the fiscal year ending June 30, 1979, pursuant to law.

(d) Assume full control, operation and maintenance of the Reno municipal airport on July 1, 1978, and exercise fully thereafter all of the powers and assume all of the duties granted to and imposed upon the board by this act.

SEC. 32. If any provision of this act or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

SEC. 33. 1. If either city fails to appoint its representatives to the board of trustees of the authority as required by section 5 of this act, the board of county commissioners of Washoe County shall appoint the required number of residents of that city to represent it.

2. If any action is brought to have this act or any of its provisions declared invalid or to contest the legal status of the authority, before the authority has received money sufficient to employ an attorney, the district attorney of Washoe County shall defend the action on behalf of the authority.

Senate Bill No. 423—Senator Ashworth (by request)

## CHAPTER 475

AN ACT relating to title insurance; providing for regulation of title insurers; and providing other matters properly relating thereto.

[Approved May 12, 1977]

*The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:*

SECTION 1. Title 57 of NRS is hereby amended by adding thereto a new chapter to consist of the provisions set forth as sections 2 to 24, inclusive, of this act.

SEC. 2. As used in this chapter, unless the context otherwise requires, the words and terms defined in sections 3 to 9, inclusive, of this act have the meanings ascribed to them in those sections.

SEC. 3. "Applicant" means a person, whether or not a prospective insured, who applies to a title insurer or its agent for title insurance and who, at the time of the application, is not an agent for a title insurer.

SEC. 4. "Net retained liability" means the total liability retained by a title insurer for a single risk after the ceding of reinsurance.

SEC. 5. 1. "Premium" means charges for:

- (a) Assuming a risk;
- (b) Abstracting, searching and examining title to determine insurability; and