

CHAPTER 14

FUNDING STUDY TEAM

Objective

“How do we fund the enhancement and long-term management of the Las Vegas Wash?”

Introduction

The stabilization and long-term management of a system as complex as the Las Vegas Wash (Wash) will not be easy, nor will it be inexpensive. Although many short-term action items are likely to involve modest expenditures or take advantage of existing resources, the more complicated long-term activities will likely require substantial funding and support. The Funding Study Team (Team) was formed to make recommendations on funding options for individual projects as well as for the long-term management of the Wash.

The Process

The Team is comprised of 10 member agencies, with representatives that have expertise in the areas of finance, public management and nonprofit administration. Before the Team could develop a means to fund the Wash project, they determined the type of projects and activities that would require funding. Items requiring funding included administration and overhead costs for coordination of the Wash project, operation and maintenance costs, and project-specific costs. From these discussions, the Team identified the following goals to help provide the funding required for the enhancement and long-term management of the Wash.

- Goal One -** Develop mechanisms to provide funding to support identified projects in the Las Vegas Wash.
- Goal Two -** Establish a funding mechanism for long-term management of the Las Vegas Wash.



Background

One of the challenges facing the Team early in the process was to decide how they should identify a funding mechanism for a project that encompasses multiple jurisdictions. Concerns were raised regarding how to address equity among stakeholders based on the beneficiaries and responsible parties related to project costs.

Given the uncertainty of the jurisdictional authority at the initiation of the Funding Study Team, the Team decided that funding decisions should be based on status quo, whereas the Southern Nevada Water Authority (SNWA) member agencies would serve as the primary funding source.

To better understand the funding mechanisms that are used among the various member agencies, and to provide a “baseline” data set that could be used in the future, a funding survey was distributed to each coordination committee member entity (Appendix 14.1). Each agency was asked to complete a survey explaining their funding source, what activities their revenues are dedicated to, the policies and procedures which govern their revenue expenditures, the benefits derived from activities in the Wash and what activities they engage in that impact the Wash.

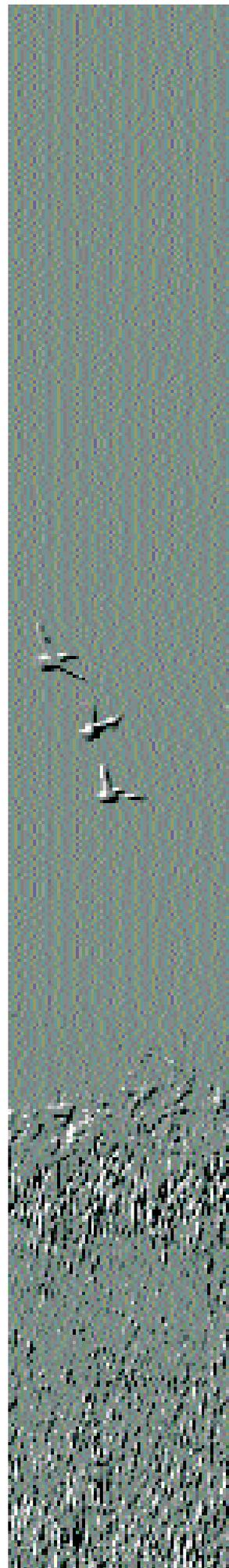
The Team then brainstormed all possible funding sources, considering ongoing and one-time funding options. The following represent potential funding opportunities:

- Continuing as presently done (SNWA wholesale rate)
- Development of an impact fee assessed on new development
- Excise tax
- Quarter-cent sales tax
- Bonds
- Property tax
- Surcharge on wastewater and/or water bills

In September 1999, Team members met to learn about the oversight recommendations from the Jurisdictional & Regulatory Study Team and to develop recommendations to fund the various components required for management of the Wash. Determinations made by the Jurisdictional & Regulatory Study Team led to two model structures, each one recommending local oversight. Neither of the recommendations was to continue with status quo. The recommended structures include, 1) the establishment of a new joint powers agreement, and 2) the development of an interlocal agreement.

Recommended Actions

Based on the Jurisdictional & Regulatory Study Team recommendations for a locally-based management entity, the Team began to analyze the



funding mechanism currently in place for SNWA and considered potential variations considering the agencies involved and the variety of issues.

Considering groundwork laid through identification of potential funding sources by the Funding Study Team and oversight recommendations from the Jurisdictional & Regulatory Study Team, the Team made the following five recommendations the Las Vegas Wash Management Entity, and other affected parties, can consider when determining the optimal funding formula.

Action 1: Further Investigate Potential Funding Sources Identified by the Team

Entities: Las Vegas Wash Management Entity

The Team identified seven potential funding sources for management of the Wash; 1) continuing as presently done, 2) development of an impact fee assessed on new development, 3) excise tax, 4) quarter cent sales tax, 5) bonds, 6) property tax, and 7) surcharge on wastewater or water bills. It is recommended that these options be examined on an individual basis to determine their potential for funding all or a portion of the Wash efforts.

There was some discussion by the Team regarding the newly enacted Southern Nevada Public Lands Management Act (1998) and the potential for proceeds of this program to be directed toward Wash activities. There was not sufficient information available during the period of time the Team met to further investigate this option; however, the Team believed the idea should be considered.

Action 2: Anticipate Future Funding Needs

Entities: Las Vegas Wash Management Entity and financially responsible stakeholders

The Team recommended that future funding needs were incorporated into the planning process. For example, upcoming research projects and capital expenditures should be discussed as soon as possible.

Action 3: Work with the Identified Management Entity to Further Review Funding Options

Entities: Las Vegas Wash Management Entity and Funding Study Team

The Team recommended that a budgetary analysis be completed to determine the financial needs of the management entity. This process should include the current and future costs associated with administration, capital costs and long-term monitoring.

In addition, the Team recommended that the best way to develop the model is to review existing funding formulas (i.e., SNWA, Regional Planning



Coalition, Southern Nevada Strategic Planning Authority) and adapt them to best meet the needs of the management entity. The Team also recommended that the model represent an equitable cost distribution and considers the impact and benefit of the project on the identified stakeholders.

Action 4: Develop a Method to Identify Specific Projects that Could be Funded by Grants

Entities: Las Vegas Wash Management Entity and Funding Study Team

One goal of the funding process is to identify and use as many grant sources as possible. To meet this action item, the Team developed a “Funding Request Form” (Appendix 14.2) that includes questions regarding specific projects. The idea behind this form is that the party wishing to conduct the project fills it out, and then the Las Vegas Wash Management Entity, with input from the Team, will identify potential funding sources in the form of grants. Projects such as wetland demonstration, wildlife surveys and monitoring plan development may be able to be funded by grants and available resources.

Action 5: Utilize Existing Resources and Staff Whenever Possible

Entities: All stakeholder member agencies

As part of the planning process, consider work that could be conducted by staff from member agencies, and contact the appropriate agency for input and assistance. By utilizing the talents and resources of existing agencies, the coordination committee can remain flexible and responsive in implementing the comprehensive adaptive management plan while still meeting the needs outlined in the plan.

Appendices

- 14.1 Funding Survey
- 14.2 Funding Request Form

