ASSEMBLY BILL NO. 664-COMMITTEE ON WAYS AND MEANS

MARCH 22, 1999

Referred to Committee on Ways and Means

SUMMARY—Revises provisions governing state public works board. (BDR 28-1603)

FISCAL NOTE: Effect on Local Government: No. Effect on the State or on Industrial Insurance: Yes.

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EXPLANATION – Matter in bolded italics is new; matter between brackets [omitted material] is material to be omitted.

AN ACT relating to the state public works board; requiring the board to notify the governor if a member of the board fails to attend three successive meetings of the board; requiring the governor to replace such a member for the unexpired term of the member; requiring the board to appoint a chief financial officer for the board; prescribing his powers, duties and qualifications; requiring that at least two members of the board must have a comprehensive knowledge of the principles of administration and a working knowledge of the principles of engineering or architecture; abolishing the position of deputy for administrative, fiscal and constructional services; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- Section 1. Chapter 341 of NRS is hereby amended by adding thereto
- 2 the provisions set forth as sections 2 to 5, inclusive, of this act.
- Sec. 2. If an appointed member of the board fails to attend three
- 4 successive meetings of the board, the board shall notify the governor of
- 5 that fact. The notice must be provided within 5 days after the third
- 6 successive meeting the member fails to attend. Upon receipt of the notice,
- 7 the governor shall appoint a person to replace the member for the
- 8 unexpired term of the member.
- 9 Sec. 3. A person who:

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- 10 1. Is a full-time employee of the board; and
 - 2. As a condition of that employment, must be a professional
- 12 engineer licensed pursuant to chapter 625 of NRS or an architect
- 13 registered pursuant to the provisions of chapter 623 of NRS,

- shall not pursue any other architectural or engineering business or occupation or be employed in any other architectural or engineering 3 position for profit.
- Sec. 4. If the board approves an amendment to a contract for engineering or architectural services and the amendment in the aggregate increases the amount of the contract by more than 10 percent, 7 the chief financial officer shall submit a report concerning that amendment to the interim finance committee at its next regularly scheduled meeting held after the amendment to the contract is approved by the board. 10
- Sec. 5. 1. The board shall appoint a chief financial officer. The 11 12 chief financial officer is in the unclassified service of the state and serves at the pleasure of the board. Except as otherwise provided in NRS 284.143, the chief financial officer shall devote his entire time and 15 attention to the business of his office and shall not pursue any other business or occupation or hold any other office for profit.
 - The chief financial officer:

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- (a) Must be certified as a certified public accountant pursuant to chapter 628 of NRS;
- (b) Must have a comprehensive knowledge of the principles of 21 administration and a working knowledge of the principles of engineering or architecture as determined by the board;
 - (c) May appoint such technical and clerical assistants as he determines are necessary to assist him in carrying out the provisions of subsections 3 and 4; and
- (d) Shall appoint an auditor to assist him in carrying out those 26 provisions. The auditor is in the unclassified service of the state and serves at the pleasure of the chief financial officer.
 - The chief financial officer shall:
- (a) Review each interlocal agreement or other contract that is 30 executed on behalf of the board; 31
- (b) Review any change order or other amendment to a contract 32 concerning time, price or material for: 33
 - (1) The construction of a public work; or
 - (2) Architectural or engineering services;
- (c) Approve purchase orders and any other documents concerning 36 accounting that are required by the board to carry out its duties; 37
 - (d) Assist the manager in:
- (1) Ensuring that a capital improvement project is completed in the 39 manner approved by the legislature; and 40
- (2) Representing the board before the interim finance committee 41 42 pursuant to subsection 1 of NRS 341.145; and

- (e) On or before January 1, April 1, July 1 and October 1 of each year, submit a written report to the board and the interim finance committee specifying the amount expended for each public works project that is supervised by the board pursuant to the provisions of this chapter.
- 4. If a contractor is awarded a contract for new construction or major repairs pursuant to the provisions of subsection 3 of NRS 341.145, the chief financial officer may conduct an audit of the books, papers and other records of that contractor to ensure that he is complying with the provisions of the contract.
 - **Sec. 6.** NRS 341.020 is hereby amended to read as follows:
 - 341.020 *1*. The state public works board, consisting of the director of the department of administration and six members [to be] appointed by the governor, is hereby created within the department of administration.
- 2. At least two members of the board appointed pursuant to subsection I must have a comprehensive knowledge of the principles of administration and a working knowledge of the principles of engineering or architecture.
- **Sec. 7.** NRS 341.100 is hereby amended to read as follows:
- 341.100 1. The board may appoint a manager. The manager, with the approval of the board, may appoint a deputy for professional services. [and a deputy for administrative, fiscal and constructional services.] In addition, the manager may appoint such other technical and clerical assistants as may be necessary to carry [into effect] out the provisions of this chapter.
- 2. The manager and [his deputies] the deputy for professional services are in the unclassified service of the state. Except as otherwise provided in NRS 284.143, the manager and [each] the deputy shall each devote his entire time and attention to the business of his office and shall not pursue any other business or occupation or hold any other office [of] for profit.
- 3. The manager and [his] the deputy for professional services must each be a [licensed] professional engineer licensed pursuant to the provisions of chapter 625 of NRS or an architect registered pursuant to the provisions of chapter 623 of NRS. [The deputy manager for administrative, fiscal and constructional services must have a comprehensive knowledge of principles of administration and a working knowledge of principles of engineering or architecture as determined by the board.]
 - 4. The manager shall:

- (a) Serve as the secretary of the board.
- 39 (b) Manage the daily affairs of the board.
- 40 (c) Represent the board before the legislature.
- (d) Prepare and submit to the board, for its approval, the recommended priority for proposed capital improvement projects and provide the board with an assistance of the proposed capital improvement projects and provide the board are the proposed capital improvement projects and provide the board are the proposed capital improvement projects and provide the board.

43 with an estimate of the cost of each project.

- (e) Make recommendations to the board for the selection of architects, engineers and contractors.
- (f) Make recommendations to the board concerning the acceptance of completed projects.
- (g) Advise the board and the legislature, or the interim finance committee if the legislature is not in session, on a monthly basis of the progress of all public works projects which are a part of the approved capital improvement program.
- **Sec. 8.** NRS 341.145 is hereby amended to read as follows: 341.145 The board:
- After consulting with the interim finance committee, has Except 12 as otherwise provided in this subsection, has final authority [for approval as to approve the architecture of all buildings, plans, designs, types of construction, major repairs and designs of landscaping. Before bids are solicited for a contract for new construction or major repairs pursuant to subsection 3, the interim finance committee must approve the design for the new construction or major repair.
 - Shall determine whether any rebates are available from a public utility for installing devices in any state building which are designed to decrease the use of energy in the building. If such a rebate is available, the board shall apply for the rebate.
- Shall solicit bids for and let all contracts for new construction or 22 major repairs. 23
 - May negotiate with the lowest responsible bidder on any contract to obtain a revised bid if:
- (a) The bid is less than the appropriation made by the legislature for that 26 building project; and 27
 - (b) The bid does not exceed the relevant budget item for that building project as established by the board by more than 10 percent.
 - May reject any or all bids.

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- After the contract is let, shall supervise and inspect construction and major repairs. The cost of supervision and inspection must be financed 32 from the capital construction program approved by the legislature.
 - May authorize change orders, before or during construction:
- (a) In any amount, [where] if the change represents a reduction in the 35 awarded contract price. 36
- (b) Not to exceed in the aggregate 10 percent of the total awarded 37 38 contract price, where if the change represents an increase in that price.
- Has final authority to accept each building as completed or to 39 require necessary alterations to conform to the contract, and to file the notice of

completion.

- Sec. 9. Notwithstanding the provisions of NRS 341.020, each member of the state public works board continues to serve on the board until the expiration of his term.

 Sec. 10. This act becomes effective on July 1, 1999.