

ASSEMBLY BILL NO. 218—COMMITTEE ON COMMERCE AND LABOR

(ON BEHALF OF DOUGLAS COUNTY)

FEBRUARY 22, 2001

Referred to Committee on Government Affairs

SUMMARY—Makes various changes relating to use of design-build teams for public works.
(BDR 28-508)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

~

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

AN ACT relating to public works; authorizing certain public bodies to contract with a design-build team for certain public works projects; changing the requirements for providing notice of certain hearings and advertising for preliminary proposals from design-build teams; changing certain requirements relating to the qualification and selection of a design-build team; extending the date for the expiration of provisions relating to the use of design-build teams on public works projects; 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.** NRS 338.1711 is hereby amended to read as follows:
2 338.1711 1. Except as otherwise provided in this section, a public
3 body shall contract with a prime contractor for the construction of a public
4 work for which the estimated cost exceeds \$100,000.
5 2. A public body may contract with a design-build team for the design
6 and construction of a public work that is a discrete project if the public
7 body determines that:
8 (a) The public work is:
9 (1) A plant or facility for the treatment and pumping of water or the
10 treatment and disposal of wastewater or sewage, the estimated cost of
11 which exceeds \$100,000,000; or
12 (2) Any other type of public work, except a stand-alone underground
13 utility project, the estimated cost of which exceeds \$30,000,000; and
14 (b) Contracting with a design-build team will enable the public body to:
15 (1) Design and construct the public work at a cost that is significantly
16 lower than the cost that the public body would incur to design and
17 construct the public work using a different method;



* A B 2 1 8 *

1 (2) Design and construct the public work in a shorter time than would
2 be required to design and construct the public work using a different
3 method, if exigent circumstances require that the public work be designed
4 and constructed within a short time; or

5 (3) Ensure that the design and construction of the public work is
6 properly coordinated, if the public work is unique, highly technical and
7 complex in nature.

8 3. In a county whose population is 400,000 or more, a public body that
9 is responsible for financing public works may, for its own public works
10 and those financed by a different public body, including, without
11 limitation, an airport if the airport is owned and operated as a department
12 of the public body, contract with a design-build team once in each fiscal
13 year for the design and construction of a public work if the public body
14 determines that:

15 (a) The estimated cost of the public work is at least \$5,000,000 but less
16 than \$30,000,000; and

17 (b) Contracting with a design-build team will enable the public body to:

18 (1) Design and construct the public work at a cost that is significantly
19 lower than the cost that the public body would incur to design and
20 construct the public work using a different method;

21 (2) Design and construct the public work in a shorter time than would
22 be required to design and construct the public work using a different
23 method, if exigent circumstances require that the public work be designed
24 and constructed within a short time; or

25 (3) Ensure that the design and construction of the public work is
26 properly coordinated, if the public work is unique, highly technical and
27 complex in nature.

28 4. *In a county whose population is 20,000 or more but less than*
29 *100,000, a public body that is responsible for financing public works*
30 *may, for its own public works and those financed by a different public*
31 *body, including, without limitation, an airport if the airport is owned and*
32 *operated as a department of the public body, contract with a design-build*
33 *team once in each fiscal year for the design and construction of a public*
34 *work if the public body determines that:*

35 (a) *The estimated cost of the public work is at least \$250,000 but less*
36 *than \$7,500,000; and*

37 (b) *Contracting with a design-build team will enable the public body*
38 *to:*

39 (1) *Design and construct the public work at a cost that is*
40 *significantly lower than the cost that the public body would incur to*
41 *design and construct the public work using a different method;*

42 (2) *Design and construct the public work in a shorter time than*
43 *would be required to design and construct the public work using a*
44 *different method, if exigent circumstances require that the public work*
45 *be designed and constructed within a short time; or*

46 (3) *Ensure that the design and construction of the public work is*
47 *properly coordinated, if the public work is unique, highly technical and*
48 *complex in nature.*



1 **5.** Notwithstanding the provisions of subsections 1 ~~1, 2 and 3,~~ **to 4,**
2 **inclusive,** a public body may contract with:

3 (a) A nonprofit organization for the design and construction of a project
4 to restore, enhance or develop wetlands.

5 (b) A prime contractor, specialty contractor or design-build team with
6 respect to a public work if the public body determines that the public work
7 is:

8 (1) Not part of a larger public work; and

9 (2) Limited in scope to:

10 (I) Removal of asbestos;

11 (II) Replacement of equipment or systems for heating, ventilation
12 and air-conditioning;

13 (III) Replacement of a roof;

14 (IV) Landscaping; or

15 (V) Restoration, enhancement or development of wetlands.

16 **Sec. 2.** NRS 338.1713 is hereby amended to read as follows:

17 338.1713 1. A public body shall not contract with a design-build
18 team with respect to a public work unless the governing body of the public
19 body makes the determinations, at a public hearing, that are required
20 pursuant to subsection 2, 3, **4** or ~~4~~ **5** of NRS 338.1711, as applicable.

21 2. A public body that is required to hold a public hearing pursuant to
22 this section shall publish notice of the hearing at least once ~~each week for~~
23 ~~3 consecutive weeks in:~~

24 ~~—(a) A in a~~ newspaper of general circulation published in the county in
25 which the public work is proposed to be constructed or, if there is no such
26 newspaper, in a newspaper of general circulation in the county published in
27 this state. ~~and~~

28 ~~—(b) A newspaper of general circulation in this state.~~

29 **Sec. 3.** NRS 338.1715 is hereby amended to read as follows:

30 338.1715 1. A public body that is required to contract with a prime
31 contractor pursuant to subsection 1 of NRS 338.1711 or elects to contract
32 with a specialty contractor pursuant to subsection ~~4~~ **5** of NRS 338.1711
33 shall select the prime contractor or specialty contractor, as appropriate, in
34 accordance with the procedures for bidding that are set forth in:

35 (a) The provisions of NRS 338.1375 to 338.1389, inclusive; or

36 (b) NRS 338.143, 338.145 and 338.147, if the public body is a local
37 government that elects to award a contract for a public work in accordance
38 with paragraph (b) of subsection 1 of NRS 338.1373.

39 2. A public body that contracts with a design-build team pursuant to
40 NRS 338.1711 and 338.1713 shall select the design-build team in
41 accordance with NRS 338.1721 to 338.1727, inclusive.

42 **Sec. 4.** NRS 338.1721 is hereby amended to read as follows:

43 338.1721 To qualify to participate in a project for the design and
44 construction of a public work, a design-build team must:

45 1. Obtain a performance bond and payment bond as required pursuant
46 to NRS 339.025;

47 2. Obtain insurance covering general liability and liability for errors
48 and omissions;



1 3. Not have been found liable for breach of contract with respect to a
2 previous project, other than a breach for legitimate cause;

3 4. Not have been disqualified from being awarded a contract pursuant
4 to NRS 338.017, 338.1387, 338.145 or 408.333; ~~and~~

5 5. Ensure that the members of the design-build team possess the
6 licenses and certificates required to carry out the functions of their
7 respective professions within this state ~~†~~; and

8 *6. Be responsive and responsible, as determined by the public body*
9 *awarding the contract.*

10 **Sec. 5.** NRS 338.1723 is hereby amended to read as follows:

11 338.1723 1. A public body shall advertise for preliminary proposals
12 for the design and construction of a public work by a design-build team at
13 least ~~twice each week for 3 consecutive weeks in:~~

14 ~~—(a) A newspaper of general circulation published in the county in which~~
15 ~~the public work is proposed to be constructed or, if there is no such~~
16 ~~newspaper, in a newspaper of general circulation in the county published in~~
17 ~~this state; and~~

18 ~~—(b) A~~ *once in a* newspaper of general circulation in this state.

19 2. A request for preliminary proposals published pursuant to
20 subsection 1 must include, without limitation:

21 (a) A description of the public work to be designed and constructed;
22 *and*

23 (b) ~~Separate estimates of the costs of designing and constructing the~~
24 ~~public work;~~

25 ~~—(c) The dates on which it is anticipated that the separate phases of the~~
26 ~~design and construction of the public work will begin and end;~~

27 ~~—(d)~~ A statement setting forth the place and time in which a design-build
28 team desiring to submit a proposal for the public work may obtain the
29 information necessary to submit a proposal, including, without limitation,
30 the extent to which designs must be completed for both preliminary and
31 final proposals and any other requirements for the design and construction
32 of the public work that the public body determines to be necessary. ~~†~~

33 ~~(e) A list of the requirements set forth in NRS 338.1721;~~

34 ~~—(f) A list of the factors that the public body will use to evaluate design-~~
35 ~~build teams who submit a proposal for the public work, including, without~~
36 ~~limitation:~~

37 ~~—(1) The relative weight to be assigned to each factor; and~~

38 ~~—(2) A disclosure of whether the factors that are not related to cost are,~~
39 ~~when considered as a group, more or less important in the process of~~
40 ~~evaluation than the factor of cost;~~

41 ~~—(g) Notice that a design-build team desiring to submit a proposal for the~~
42 ~~public work must include with its proposal the information used by the~~
43 ~~public body to determine finalists among the design-build teams submitting~~
44 ~~proposals pursuant to subsection 2 of NRS 338.1725 and a description of~~
45 ~~that information;~~

46 ~~—(h) A statement that a design-build team whose prime contractor holds a~~
47 ~~certificate of eligibility to receive a preference in bidding on public works~~
48 ~~issued pursuant to NRS 338.1389 or 338.147 should submit a copy of the~~
49 ~~certificate of eligibility with its proposal;~~



* A B 2 1 8 *

1 ~~— (i) A statement as to whether a design build team that is selected as a~~
2 ~~finalist pursuant to NRS 338.1725 but is not awarded the design build~~
3 ~~contract pursuant to NRS 338.1727 will be partially reimbursed for the cost~~
4 ~~of preparing a final proposal and, if so, an estimate of the amount of the~~
5 ~~partial reimbursement; and~~

6 ~~— (j) The date by which preliminary proposals must be submitted to the~~
7 ~~public body, which must not be less than 30 days or more than 60 days~~
8 ~~after the date on which the request for preliminary proposals is first~~
9 ~~published in a newspaper pursuant to subsection 1.~~

10 **Sec. 6.** NRS 338.1725 is hereby amended to read as follows:

11 338.1725 1. ~~At least 30 days after the date by which preliminary~~
12 ~~proposals must be submitted to the public body, the~~ *The* public body shall
13 select at least three but not more than five finalists from among the design-
14 build teams that submitted preliminary proposals. If the public body does
15 not receive at least three preliminary proposals from design-build teams
16 that the public body determines to be qualified pursuant to this section and
17 NRS 338.1721, the public body may not contract with a design-build team
18 for the design and construction of the public work.

19 2. The public body shall select finalists pursuant to subsection 1 by:

20 (a) Verifying that each design-build team which submitted a
21 preliminary proposal satisfies the requirements of NRS 338.1721; and

22 (b) Conducting an evaluation of the qualifications of each design-build
23 team that submitted a preliminary proposal, including, without limitation,
24 an evaluation of:

25 (1) The professional qualifications and experience of the members of
26 the design-build team;

27 (2) The performance history of the members of the design-build team
28 concerning other recent, similar projects completed by those members, if
29 any;

30 (3) The safety programs established and the safety records
31 accumulated by the members of the design-build team; ~~and~~

32 (4) The proposed plan of the design-build team to manage the design
33 and construction of the public work that sets forth in detail the ability of the
34 design-build team to design and construct the public work ~~it~~; and

35 *(5) The degree to which the preliminary proposal is responsive to*
36 *the requirements for the preliminary proposal established by the public*
37 *body.*

38 **Sec. 7.** NRS 338.1727 is hereby amended to read as follows:

39 338.1727 1. After selecting the finalists pursuant to NRS 338.1725,
40 the public body shall provide to each finalist a request for final proposals
41 for the public work. The request for final proposals must:

42 (a) Set forth the factors that the public body will use to select a *design*
43 *for the public work and a* design-build team to design and construct the
44 public work, including the relative weight to be assigned to each factor;
45 and

46 (b) Set forth the date by which final proposals must be submitted to the
47 public body.

48 2. A final proposal submitted by a design-build team pursuant to this
49 section must be prepared thoroughly, be responsive to the criteria that the



* A B Z 1 8 *

1 public body will use to select a *design for the public work and a* design-
2 build team to design and construct the public work described in subsection
3 1 and comply with the provisions of NRS 338.141. If the cost of
4 construction is a factor in the selection of a design-build team, a design-
5 build team whose prime contractor has submitted with its proposal a
6 certificate of eligibility to receive a preference in bidding on public works
7 issued pursuant to NRS 338.1389 or 338.147 shall be deemed to have
8 submitted a better proposal than a competing design-build team whose
9 prime contractor has not submitted such a certificate of eligibility if the
10 amount proposed by the design-build team is not more than 5 percent
11 higher than the amount proposed by the competing design-build team.

12 3. ~~At least 30 days after receiving the final proposals for the public~~
13 ~~work, the~~ The public body shall:

14 (a) Select the most cost-effective and responsive final proposal, using
15 the criteria set forth pursuant to subsection 1; or

16 (b) Reject all the final proposals.

17 4. If a public body selects a final proposal pursuant to paragraph (a) of
18 subsection 3, the public body shall ~~at its next regularly scheduled~~
19 ~~meeting:~~

20 ~~(a) Review and ratify the selection.~~

21 ~~(b) :~~

22 (a) Award the design-build contract to the design-build team whose
23 proposal is selected.

24 ~~(e)~~ (b) Partially reimburse the unsuccessful finalists if partial
25 reimbursement was provided for in the request for preliminary proposals .
26 ~~pursuant to paragraph (i) of subsection 2 of NRS 338.1723.~~ The amount
27 of reimbursement must not exceed, for each unsuccessful finalist, 3 percent
28 of the total amount to be paid to the design-build team as set forth in the
29 design-build contract.

30 ~~(d)~~ (c) Make available to the public a summary setting forth the
31 factors used by the public body to select the successful design-build team
32 and the ranking of the design-build teams who submitted final proposals.
33 The public body shall not release to a third party, or otherwise make
34 public, financial or proprietary information submitted by a design-build
35 team.

36 5. A contract awarded pursuant to this section must specify:

37 (a) An amount that is the maximum amount that the public body will
38 pay for the performance of all the work required by the contract, excluding
39 any amount related to costs that may be incurred as a result of unexpected
40 conditions or occurrences as authorized by the contract;

41 (b) An amount that is the maximum amount that the public body will
42 pay for the performance of the professional services required by the
43 contract; and

44 (c) A date by which performance of the work required by the contract
45 must be completed.

46 6. A design-build team to whom a contract is awarded pursuant to this
47 section shall:

48 (a) Assume overall responsibility for ensuring that the design and
49 construction of the public work is completed in a satisfactory manner; and



* A B 2 1 8 *

(b) Use the work force of the prime contractor on the design-build team to construct at least 15 percent of the public work.

Sec. 8. Section 35.6 of chapter 627, Statutes of Nevada 1999, at page 3497, is hereby amended to read as follows:

Sec. 35.6. Sections 8, 11, 12 and 21 of Assembly Bill No. 298 of this session are hereby amended to read as follows:

Sec. 8. *1. Except as otherwise provided in subsection 7 and NRS 338.1906 and 338.1907, this state, or a local government that awards a contract for the construction, alteration or repair of a public work in accordance with paragraph (a) of subsection 1 of section 2 of this act, or a public officer, public employee or other person responsible for awarding a contract for the construction, alteration or repair of a public work who represents the state or the local government, shall not:*

(a) Commence such a project for which the estimated cost exceeds \$100,000 unless it advertises in a newspaper of general circulation in this state for bids for the project; or

(b) Divide such a project into separate portions to avoid the requirements of paragraph (a).

2. Except as otherwise provided in subsection 7, a public body that maintains a list of properly licensed contractors who are interested in receiving offers to bid on public works projects for which the estimated cost is more than \$25,000 but less than \$100,000 shall solicit bids from not more than three of the contractors on the list for a contract of that value for the construction, alteration or repair of a public work. The public body shall select contractors from the list in such a manner as to afford each contractor an equal opportunity to bid on a public works project. A properly licensed contractor must submit a written request annually to the public body to remain on the list. Offers for bids which are made pursuant to this subsection must be sent by certified mail.

3. Each advertisement for bids must include a provision that sets forth:

(a) The requirement that a contractor must be qualified pursuant to section 5 of this act to bid on the contract or must be exempt from meeting such qualifications pursuant to section 6 of this act; and

(b) The period during which an application to qualify as a bidder on the contract must be submitted.

4. Approved plans and specifications for the bids must be on file at a place and time stated in the advertisement for the inspection of all persons desiring to bid thereon and for other interested persons. Contracts for the project must be awarded on the basis of bids received.

5. Any bids received in response to an advertisement for bids may be rejected if the person responsible for awarding the contract determines that:



* A B 2 1 8 *

1 (a) *The bidder is not a qualified bidder pursuant to section 5 of*
2 *this act, unless the bidder is exempt from meeting such*
3 *qualifications pursuant to section 6 of this act;*

4 (b) *The bidder is not responsive;*

5 (c) *The quality of the services, materials, equipment or labor*
6 *offered does not conform to the approved plan or specifications; or*

7 (d) *The public interest would be served by such a rejection.*

8 6. *Before the state or a local government may commence a*
9 *project subject to the provisions of this section, based upon a*
10 *determination that the public interest would be served by rejecting*
11 *any bids received in response to an advertisement for bids, it shall*
12 *prepare and make available for public inspection a written statement*
13 *containing:*

14 (a) *A list of all persons, including supervisors, whom the state or*
15 *the local government intends to assign to the project, together with*
16 *their classifications and an estimate of the direct and indirect costs*
17 *of their labor;*

18 (b) *A list of all equipment that the state or the local government*
19 *intends to use on the project, together with an estimate of the*
20 *number of hours each item of equipment will be used and the hourly*
21 *cost to use each item of equipment;*

22 (c) *An estimate of the cost of administrative support for the*
23 *persons assigned to the project;*

24 (d) *An estimate of the total cost of the project; and*

25 (e) *An estimate of the amount of money the state or the local*
26 *government expects to save by rejecting the bids and performing the*
27 *project itself.*

28 7. *This section does not apply to:*

29 (a) *Any utility subject to the provisions of chapter 318 or 710 of*
30 *NRS;*

31 (b) *Any work of construction, reconstruction, improvement and*
32 *maintenance of highways subject to NRS 408.323 or 408.327;*

33 (c) *Normal maintenance of the property of a school district;*

34 (d) *The Las Vegas Valley water district created pursuant to*
35 *chapter 167, Statutes of Nevada 1947, the Moapa Valley water*
36 *district created pursuant to chapter 477, Statutes of Nevada 1983 or*
37 *the Virgin Valley water district created pursuant to chapter 100,*
38 *Statutes of Nevada 1993; or*

39 (e) *The design and construction of a public work for which a*
40 *public body contracts with a design-build team pursuant to sections*
41 *2 to 9, inclusive, of Senate Bill No. 475 of this session.*

42 Sec. 11. 1. *Except as otherwise provided in section 8 of this*
43 *act and sections 2 to 9, inclusive, of Senate Bill No. 475 of this*
44 *session, a public body shall award a contract for a public work to*
45 *the contractor who submits the best bid.*

46 2. *Except as otherwise provided in subsection 8 or limited by*
47 *subsection 9, for the purposes of this section, a contractor who:*



* A B 2 1 8 *

1 (a) Has been determined by the public body to be a qualified
2 bidder pursuant to section 5 of this act or is exempt from meeting
3 such requirements pursuant to section 6 of this act; and

4 (b) At the time he submits his bid, provides to the public body a
5 copy of a certificate of eligibility to receive a preference in bidding
6 on public works issued to him by the state contractors' board
7 pursuant to subsection 3,
8 shall be deemed to have submitted a better bid than a competing
9 contractor who has not provided a copy of such a valid certificate of
10 eligibility if the amount of his bid is not more than 5 percent higher
11 than the amount bid by the competing contractor.

12 3. The state contractors' board shall issue a certificate of
13 eligibility to receive a preference in bidding on public works to a
14 general contractor who is licensed pursuant to the provisions of
15 chapter 624 of NRS and submits to the board an affidavit from a
16 certified public accountant setting forth that the general contractor
17 has:

18 (a) Paid:

19 (1) The sales and use taxes imposed pursuant to chapters 372,
20 374 and 377 of NRS on materials used for construction in this state,
21 including, without limitation, construction that is undertaken or
22 carried out on land within the boundaries of this state that is
23 managed by the Federal Government or is on an Indian reservation
24 or Indian colony, of not less than \$5,000 for each consecutive 12-
25 month period for 60 months immediately preceding the submission
26 of the affidavit from the certified public accountant;

27 (2) The motor vehicle privilege tax imposed pursuant to chapter
28 371 of NRS on the vehicles used in the operation of his business in
29 this state of not less than \$5,000 for each consecutive 12-month
30 period for 60 months immediately preceding the submission of the
31 affidavit from the certified public accountant; or

32 (3) Any combination of such sales and use taxes and motor
33 vehicle privilege tax; or

34 (b) Acquired, by inheritance, gift or transfer through a stock
35 option plan for employees, all the assets and liabilities of a viable,
36 operating construction firm that possesses a:

37 (1) License as a general contractor pursuant to the provisions
38 of chapter 624 of NRS; and

39 (2) Certificate of eligibility to receive a preference in bidding on
40 public works.

41 4. For the purposes of complying with the requirements set
42 forth in paragraph (a) of subsection 3, a general contractor shall be
43 deemed to have paid:

44 (a) Sales and use taxes and motor vehicle privilege taxes paid in
45 this state by an affiliate or parent company of the contractor, if the
46 affiliate or parent company is also a general contractor; and

47 (b) Sales and use taxes paid in this state by a joint venture in
48 which the contractor is a participant, in proportion to the amount of
49 interest the contractor has in the joint venture.



* A B 2 1 8 *

1 5. A contractor who has received a certificate of eligibility to
2 receive a preference in bidding on public works from the state
3 contractors' board pursuant to subsection 3 shall, at the time for the
4 annual renewal of his contractors' license pursuant to NRS
5 624.283, submit to the board an affidavit from a certified public
6 accountant setting forth that the contractor has, during the
7 immediately preceding 12 months, paid the taxes required pursuant
8 to paragraph (a) of subsection 3 to maintain his eligibility to hold
9 such a certificate.

10 6. A contractor who fails to submit an affidavit to the board
11 pursuant to subsection 5 ceases to be eligible to receive a preference
12 in bidding on public works unless he reapplies for and receives a
13 certificate of eligibility pursuant to subsection 3.

14 7. If a contractor who applies to the state contractors' board for
15 a certificate of eligibility to receive a preference in bidding on public
16 works submits false information to the board regarding the required
17 payment of taxes, the contractor is not eligible to receive a
18 preference in bidding on public works for a period of 5 years after
19 the date on which the board becomes aware of the submission of the
20 false information.

21 8. If any federal statute or regulation precludes the granting of
22 federal assistance or reduces the amount of that assistance for a
23 particular public work because of the provisions of subsection 2,
24 those provisions do not apply insofar as their application would
25 preclude or reduce federal assistance for that work. The provisions
26 of subsection 2 do not apply to any contract for a public work which
27 is expected to cost less than \$250,000.

28 9. Except as otherwise provided in subsection 2 of section 8 of
29 Senate Bill No. 475 of this session, if a bid is submitted by two or
30 more contractors as a joint venture or by one of them as a joint
31 venturer, the provisions of subsection 2 apply only if both or all of
32 the joint venturers separately meet the requirements of that
33 subsection.

34 10. The state contractors' board shall adopt regulations and
35 may assess reasonable fees relating to the certification of
36 contractors for a preference in bidding on public works.

37 11. A person or entity who believes that a contractor wrongfully
38 holds a certificate of eligibility to receive a preference in bidding on
39 public works may challenge the validity of the certificate by filing a
40 written objection with the public body to which the contractor has
41 submitted a bid or proposal on a contract for the construction of a
42 public work. A written objection authorized pursuant to this
43 subsection must:

44 (a) Set forth proof or substantiating evidence to support the belief
45 of the person or entity that the contractor wrongfully holds a
46 certificate of eligibility to receive a preference in bidding on public
47 works; and

48 (b) Be filed with the public body at or after the time at which the
49 contractor submitted the bid or proposal to the public body and



* A B 2 1 8 *

1 *before the time at which the public body awards the contract for*
2 *which the bid or proposal was submitted.*

3 *12. If a public body receives a written objection pursuant to*
4 *subsection 11, the public body shall determine whether the objection*
5 *is accompanied by the proof or substantiating evidence required*
6 *pursuant to paragraph (a) of that subsection. If the public body*
7 *determines that the objection is not accompanied by the required*
8 *proof or substantiating evidence, the public body shall dismiss the*
9 *objection and may proceed immediately to award the contract. If the*
10 *public body determines that the objection is accompanied by the*
11 *required proof or substantiating evidence, the public body shall*
12 *determine whether the contractor qualifies for the certificate*
13 *pursuant to the provisions of this section and may proceed to award*
14 *the contract accordingly.*

15 Sec. 12. NRS 338.010 is hereby amended to read as follows:

16 338.010 As used in this chapter:

17 1. "Day labor" means all cases where public bodies, their officers,
18 agents or employees, hire, supervise and pay the wages thereof
19 directly to a workman or workmen employed by them on public
20 works by the day and not under a contract in writing.

21 2. "Eligible bidder" means a person who was ~~Found~~ :

22 (a) ~~Found~~ to be a responsible contractor by a ~~public body~~ *local*
23 *government* which awarded a contract for a public work ~~in~~ *in*
24 *accordance with paragraph (b) of subsection 1 of section 2 of this*
25 *act; or*

26 (b) *Determined by a public body which awarded a contract for a*
27 *public work pursuant to sections 3 to 11, inclusive, of this act, to be*
28 *qualified to bid on that contract pursuant to section 5 of this act or*
29 *was exempt from meeting such qualifications pursuant to section 6*
30 *of this act.*

31 3. "Local government" means every political subdivision or
32 other entity which has the right to levy or receive money from ad
33 valorem or other taxes or any mandatory assessments, and includes,
34 without limitation, counties, cities, towns, boards, school districts
35 and other districts organized pursuant to chapters 244A, 309, 318,
36 379, 474, 541, 543 and 555 of NRS, NRS 450.550 to 450.750,
37 inclusive, and any agency or department of a county or city which
38 prepares a budget separate from that of the parent political
39 subdivision.

40 4. "Offense" means failing to:

41 (a) Pay the prevailing wage required pursuant to this chapter;

42 (b) Pay the contributions for unemployment compensation required
43 pursuant to chapter 612 of NRS; or

44 (c) Provide and secure compensation for employees required
45 pursuant to chapters 616A to 617, inclusive, of NRS.

46 ~~4.1~~ 5. "Public body" means the state, county, city, town, school
47 district or any public agency of this state or its political subdivisions
48 sponsoring or financing a public work.



* A B 2 1 8 *

~~15.1~~ 6. "Public work" means any project for the new construction, repair or reconstruction of:

- (a) A project financed in whole or in part from public money for:
- (1) Public buildings;
 - (2) Jails and prisons;
 - (3) Public roads;
 - (4) Public highways;
 - (5) Public streets and alleys;
 - (6) Public utilities which are financed in whole or in part by public money;
 - (7) Publicly owned water mains and sewers;
 - (8) Public parks and playgrounds;
 - (9) Public convention facilities which are financed at least in part with public funds; and
 - (10) ~~Any~~ **Any** other publicly owned works and property whose cost as a whole exceeds \$20,000. Each separate unit which is a part of a project is included in the cost of the project for the purpose of determining whether a project meets this threshold.
- (b) A building for the University and Community College System of Nevada of which 25 percent or more of the costs of the building as a whole are paid from money appropriated by ~~this~~ **this** state or **from** federal money.

~~16.1~~ 7. "Wages" means:

- (a) The basic hourly rate of pay; and
- (b) The amount of pension, health and welfare, vacation and holiday pay, the cost of apprenticeship training or other similar programs or other bona fide fringe benefits which are a benefit to the workman.

~~17.1~~ 8. "Workman" means a skilled mechanic, skilled workman, semiskilled mechanic, semiskilled workman or unskilled workman.

Sec. 21. 1. This section and sections 2 to 7, inclusive, 10 to 14, inclusive, 16 to 19, inclusive, and 20 of this act become effective on October 1, 1999.

2. Section 8 of this act becomes effective on October 1, 1999, and expires by limitation on October 1, ~~2003.1~~ **2005**.

3. Sections 19.2 and 19.6 of this act become effective on October 1, ~~2003.1~~ **2005**.

4. Sections 15 and 19.4 of this act become effective at 12:01 a.m. on May 1, 2013.

5. Sections 14, 18, 19 and 19.2 of this act expire by limitation on May 1, 2013.

Sec. 9. Section 38 of chapter 627, Statutes of Nevada 1999, at page 3504, is hereby amended to read as follows:

Sec. 38. 1. This section and sections 35.4 and 35.6 of this act become effective on October 1, 1999.

2. Sections 1 to 9, inclusive, 14 to 35, inclusive, **and** 36 ~~and 37~~ of this act become effective on October 1, 1999, and expire by limitation on October 1, ~~2003.~~

~~3.1~~ **2005**.



- 1 *3. Section 37 of this act becomes effective on October 1, 1999,*
2 *and expires by limitation on October 1, 2003.*
3 4. Sections 10, 13 and 35.8 of this act become effective at 12:01
4 a.m. on October 1, 1999, and expire by limitation on October 1,
5 ~~2003~~ 2005.
6 ~~4~~ 5. Section 11 of this act becomes effective at 12:01 a.m. on
7 October 1, 1999, and expires by limitation on May 1, 2013.
8 ~~5~~ 6. Section 13.5 of this act becomes effective at 12:01 a.m. on
9 October 1, ~~2003~~ 2005.
10 ~~6~~ 7. Section 35.2 of this act becomes effective at 12:01 a.m. on
11 October 1, ~~2003~~ 2005, and expires by limitation on May 1, 2013.
12 ~~7~~ 8. Section 12 of this act becomes effective at 12:02 a.m. on
13 May 1, 2013.
14 **Sec. 10.** 1. This act becomes effective on October 1, 2001.
15 2. Sections 1 to 8, inclusive, of this act expire by limitation on
16 October 1, 2005.

