

ASSEMBLY BILL NO. 428—ASSEMBLYMAN HETTRICK

MARCH 19, 2001

Referred to Committee on Government Affairs

SUMMARY—Revises provisions governing state public works board. (BDR 28-229)

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

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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; authorizing the governor to replace such a member for the unexpired term of the member; establishing qualifications for appointed members of the board; requiring the board to obtain the approval of the legislature or interim finance committee for certain changes to a project; requiring the inclusion of certain provisions concerning change orders in a contract with a design professional; 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 a new section to read as follows:

If an appointed member of the board fails to attend three successive meetings of the board, the board shall notify the governor of that fact, in writing, within 5 days after the third successive meeting that the member fails to attend. Upon receipt of the notice, the governor may appoint a person to replace the member for the unexpired term of that member.

Sec. 2. 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 one of the appointed members must have a comprehensive knowledge of the principles of administration and at least one of the appointed members must have a working knowledge of the principles of engineering or architecture.*

Sec. 3. NRS 341.145 is hereby amended to read as follows:

341.145 The board:

1. ~~After consulting with the interim finance committee, has~~ *Has* final authority ~~for approval as~~ to *approve* the architecture of all buildings,



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1 plans, designs, types of construction, major repairs and designs of
2 landscaping.

3 2. Shall determine whether any rebates are available from a public
4 utility for installing devices in any state building which are designed to
5 decrease the use of energy in the building. If such a rebate is available, the
6 board shall apply for the rebate.

7 3. Shall solicit bids for and let all contracts for new construction or
8 major repairs.

9 4. May negotiate with the ~~lowest responsible~~ bidder *who submitted*
10 *the best bid* on any contract to obtain a revised bid if:

11 (a) The bid is less than the appropriation made by the legislature for that
12 building project; and

13 (b) The bid does not exceed the relevant budget item for that building
14 project as established by the board by more than 10 percent.

15 5. May reject any or all bids.

16 6. After the contract is let, shall supervise and inspect construction and
17 major repairs. The cost of supervision and inspection must be financed
18 from the capital construction program approved by the legislature.

19 7. *Shall obtain approval from the interim finance committee when*
20 *the legislature is not in regular or special session, or from the legislature*
21 *by concurrent resolution when the legislature is in regular or special*
22 *session, for any change in the scope of the design or construction of a*
23 *project as that project was authorized by the legislature.*

24 8. May authorize change orders, before or during construction:

25 (a) In any amount, where the change represents a reduction in the
26 awarded contract price.

27 (b) Not to exceed in the aggregate 10 percent of the total awarded
28 contract price, where the change represents an increase in that price.

29 ~~8-1~~ 9. *Shall specify in any contract with a design professional the*
30 *period within which the design professional must prepare and submit to*
31 *the board a change order that has been authorized by the board. As used*
32 *in this subsection, "design professional" means a person with a*
33 *professional license or certificate issued pursuant to chapter 623, 623A*
34 *or 625 of NRS.*

35 10. Has final authority to accept each building as completed or to
36 require necessary alterations to conform to the contract, and to file the
37 notice of completion.

38 **Sec. 4.** NRS 341.148 is hereby amended to read as follows:

39 341.148 1. Except as *otherwise* provided in subsection 2, the board
40 shall advertise in a newspaper of general circulation in the State of Nevada
41 for separate sealed bids for each construction project. Approved plans and
42 specifications for the construction must be on file at a place and time stated
43 in the advertisement for the inspection of all persons desiring to bid thereon
44 and for other interested persons. The board may accept bids on either the
45 whole or a part of the construction, equipment and furnishings, and may let
46 separate contracts for different and separate portions of any project, or a
47 combination contract for structural, mechanical and electrical construction
48 if savings will result ~~to the lowest bidder.~~ *in the best bid.*



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1 2. The board is not required to advertise for sealed bids for
2 construction projects if the estimated cost is less than \$25,000, but the
3 board may solicit firm written bids from not less than two licensed
4 contractors doing business in the area and may award the contract to the
5 lowest bidder *contractor who submitted the best bid* or reject all bids.

6 **Sec. 5.** NRS 341.161 is hereby amended to read as follows:

7 341.161 1. The board may, with the approval of the interim finance
8 committee when the legislature is not in regular or special session, or with
9 the approval of the legislature by concurrent resolution when the legislature
10 is in regular or special session, let to a contractor licensed under chapter
11 624 of NRS a contract for services which assist the ~~architect~~ *board* in the
12 design *and construction* of a project of capital improvement. ~~{The board~~
13 ~~shall for that purpose participate in the development of plans, outlines of~~
14 ~~specifications and estimates of costs.}~~

15 2. The board shall adopt regulations establishing procedures for:

16 (a) The determination of the qualifications of contractors to bid for
17 contracts for services described in subsection 1.

18 (b) The bidding and awarding of such contracts, subject to the
19 provisions of subsection 3.

20 (c) The awarding of construction contracts based on a final cost of the
21 project which the contractor guarantees will not be exceeded.

22 (d) The scheduling and controlling of projects.

23 3. Bids on contracts for services which assist the ~~architect~~ *board* in
24 the design *and construction* of a project of capital improvement must state
25 separately the contractor's cost for:

26 (a) Assisting the ~~architect~~ *board* in the design *and construction* of the
27 project.

28 (b) Obtaining all bids for subcontracts.

29 (c) Administering the construction contract.

30 4. A person who furnishes services under a contract awarded pursuant
31 to subsection 1 is a contractor subject to all provisions pertaining to a
32 contractor in Title 28 of NRS.

33 **Sec. 6.** NRS 341.161 is hereby amended to read as follows:

34 341.161 1. The board may, with the approval of the interim finance
35 committee when the legislature is not in regular or special session, or with
36 the approval of the legislature by concurrent resolution when the legislature
37 is in regular or special session, let to a contractor licensed under chapter
38 624 of NRS a contract for services which assist the ~~architect~~ *board* in the
39 design *and construction* of a project of capital improvement. ~~{The board~~
40 ~~shall for that purpose participate in the development of plans, outlines of~~
41 ~~specifications and estimates of costs.}~~

42 2. The board shall adopt regulations establishing procedures for:

43 (a) The determination of the qualifications of contractors to bid for
44 contracts for services described in subsection 1.

45 (b) The bidding and awarding of such contracts, subject to the
46 provisions of subsection 3.

47 (c) The awarding of construction contracts, subject to the provisions of
48 subsection 4, based on a final cost of the project which the contractor
49 guarantees will not be exceeded.



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1 (d) The scheduling and controlling of projects.
2 3. Bids on contracts for services which assist the ~~architecture~~ board in
3 the design *and construction* of a project of capital improvement must state
4 separately the contractor's cost for:

5 (a) Assisting the ~~architecture~~ board in the design *and construction* of the
6 project.

7 (b) Obtaining all bids for subcontracts.

8 (c) Administering the construction contract.

9 4. A contractor who is:

10 (a) Qualified under the regulations of the board to bid for a contract for
11 services described in subsection 1; and

12 (b) Awarded that contract,

13 is entitled to be awarded the construction contract for the project if his
14 work under the contract for services is satisfactory to the board and he
15 guarantees a final cost for the project which the board is willing to accept.

16 5. A person who furnishes services under a contract awarded pursuant
17 to subsection 1 is a contractor subject to all provisions pertaining to a
18 contractor in Title 28 of NRS.

19 **Sec. 7.** NRS 218.6827 is hereby amended to read as follows:

20 218.6827 1. Except as otherwise provided in subsections 2 and 3, the
21 interim finance committee may exercise the powers conferred upon it by
22 law only when the legislature is not in regular or special session.

23 2. During a regular session, the interim finance committee may also
24 perform the duties imposed on it by subsection 5 of NRS 284.115,
25 subsection 2 of NRS 321.335, NRS 322.007, subsection 2 of NRS 323.020,
26 NRS 323.050, subsection 1 of NRS 323.100, ~~subsection 1 of NRS~~
27 ~~341.145,~~ NRS 353.220, 353.224, 353.2705 to 353.2771, inclusive, and
28 353.335, paragraph (b) of subsection 4 of NRS 407.0762, NRS 428.375,
29 439.630, subsection 6 of NRS 445B.830 and NRS 538.650. In performing
30 those duties, the senate standing committee on finance and the assembly
31 standing committee on ways and means may meet separately and transmit
32 the results of their respective votes to the chairman of the interim finance
33 committee to determine the action of the interim finance committee as a
34 whole.

35 3. During a regular or special session, the interim finance committee
36 may exercise the powers and duties conferred upon it pursuant to the
37 provisions of NRS 353.2705 to 353.2771, inclusive.

38 4. If the interim finance committee determines that a fundamental
39 review of the base budget of a state agency is necessary, it shall, by
40 resolution, notify the legislative commission of that finding for assignment
41 of the review to a legislative committee for the fundamental review of the
42 base budgets of state agencies established pursuant to NRS 218.5382.

43 **Sec. 8.** Notwithstanding the amendatory provisions of NRS 341.020,
44 each member of the state public works board continues to serve on the
45 board until the expiration of his term.

46 **Sec. 9.** 1. This section and sections 1 to 5, inclusive, 7 and 8 of this
47 act become effective on July 1, 2001.

48 2. Section 5 of this act expires by limitation on October 1, 2003.



1 3. Section 6 of this act becomes effective at 12:01 a.m. on October 1,
2 2003.

