ASSEMBLY BILL NO. 275-ASSEMBLYMAN CARPENTER

MARCH 21, 2005

Referred to Committee on Government Affairs

SUMMARY—Revises certain provisions relating to State Public Works Board and relating to construction or renovation of public school buildings. (BDR 28-614)

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

Effect off the State. No.

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

AN ACT relating to governmental administration; revising the composition of and certain internal procedures relating to the operations of the State Public Works Board; prohibiting the involvement of the Board in certain activities of local governments; authorizing certain larger school districts to establish building departments; authorizing such a building department to adopt its own building codes; removing the Board from the process of approving plans, designs and specifications for the construction and alteration of school buildings; removing the exemption for school districts from the requirement to pay fees for the issuance of building permits; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law creates the State Public Works Board and provides that the Board consists of the Director of the Department of Administration and six members appointed by the Governor. The Board is required to elect a Chairman and a Vice Chairman from among its appointed members. (NRS 341.020, 341.060)

This bill reduces the membership of the Board from seven to five, and provides that the Board must consist of: (1) the Governor, the Lieutenant Governor and the State Treasurer, who serve ex officio; and (2) two members appointed by the Governor. This bill provides that the Governor is the Chairman of the Board and that the members of the Board must elect annually a Vice Chairman.

Existing law provides that the State Public Works Board may appoint a Manager who serves at the joint pleasure of the Board and the Governor, provides that the Board or the Governor may remove the Manager for certain just causes,



and provides that the Manager, with the approval of the Board, may appoint certain deputies. (NRS 341.100)

This bill transfers such powers of appointment, removal and approval from the Board to the Governor.

Existing law defines the powers and duties of the State Public Works Board. The Board's powers include the final authority to approve the architecture of all state buildings and to accept the construction or repair of each state building or structure, including filing the notice of completion and certificate of occupancy for the building or structure. The Board may also solicit and award bids, enter into contracts, supervise and inspect construction and major repairs and authorize change orders before and during construction. (NRS 341.145) Existing law requires the Board to advise and cooperate with municipal, county and other local planning commissions within the State to promote coordination between the State and the local plans and developments. (NRS 341.211)

This bill prohibits the Board from participating, in any manner, in certain building projects of a local government unless 25 percent or more of the costs of the project as a whole are paid from money appropriated by the State. This prohibition includes participation by the Board in the planning, design, contracting, construction, supervision, approval, improvement, repair or inspection of a local governmental building, project or structure. For the purposes of this bill, "local government" means every political subdivision or other entity which has the right to levy or receive money from ad valorem or other taxes or any mandatory assessments.

Existing law requires a school district to submit its plans, designs and specifications to the State Public Works Board for review and approval before entering into a contract for the construction of a new school building or certain additions to or alterations of an existing school building. The Board may enter into an agreement with a city or county building department to conduct the review and charge the school district for the cost of the review. (NRS 393.110) Existing law gives local governments the authority to adopt building and safety codes and to charge fees for conducting inspections to ensure that buildings meet the codes. (NRS 244.3675, 268.413) Existing law authorizes local governments to charge fees for the issuance of building permits. (NRS 278.580) School districts are exempt from paying the fees for code inspections and building permits. (NRS 244.3675, 268.413, 278.580)

This bill allows the board of trustees of a school district in a county whose population is 400,000 or more (currently Clark County) to establish its own building department and to adopt any necessary building, electrical, plumbing and safety codes. This bill also provides that, with respect to the reviews of plans, designs and specifications that are required before a school district erects a new school building or alters an existing school building: (1) such reviews must be performed by the building department of the school district, if the school district has established a building department; or (2) such reviews must be performed by a building department or private entity, if the school district has not established a building department. In relevant part, the reviews of the plans, designs and specifications must verify compliance with the Americans with Disabilities Act and associated regulations. This bill also requires a school district, if applicable, to pay the fees charged by a local government for building code inspection and the issuance of building permits.

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

- **Section 1.** 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]:
- (a) The Governor, the Lieutenant Governor and the State Treasurer, who serve ex officio; and
 - (b) Two members appointed by the Governor,

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- 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.
- 3. The Governor shall serve as Chairman of the Board, and the members of the Board shall elect annually a Vice Chairman.
 - **Sec. 2.** NRS 341.030 is hereby amended to read as follows:
- 15 341.030 1. The *appointed* members of the Board [shall be appointed] serve for terms of 4 years.

 2. The term of office of each appointed member [shall begin]
 - 2. The term of office of each *appointed* member [shall begin] of the Board begins on July 1 of the year of his appointment.
 - **Sec. 3.** NRS 341.041 is hereby amended to read as follows:
 - 341.041 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. 4.** NRS 341.100 is hereby amended to read as follows:
 - 341.100 1. The [Board] Governor may appoint a Manager who serves at the pleasure of the [Board and the] Governor. The [Board or the] Governor may remove the Manager for inefficiency, neglect of duty, malfeasance or for other just cause.
 - 2. The Manager, with the approval of the [Board,] Governor, 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 the provisions of this chapter.
 - 3. The Manager and his deputies are in the unclassified service of the State. Except as otherwise provided in NRS 284.143, the Manager and each deputy shall 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 profit.
- 41 4. The Manager and his deputy for professional services must 42 each be a licensed professional engineer 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.

5. The Manager shall:

- (a) Serve as the Secretary of the Board.
- (b) Manage the daily affairs of the Board.
- (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 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.
- (h) Serve as the building official for all buildings and structures on property of the State or held in trust for any division of the State Government.
 - **Sec. 5.** NRS 341.145 is hereby amended to read as follows: 341.145 [The Board:]
 - 1. Except as otherwise provided in subsection 2, the Board:
- (a) Has final authority to approve the architecture of all buildings, plans, designs, types of construction, major repairs and designs of landscaping.
- [2.] (b) 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.
- 35 [3.] (c) Shall solicit bids for and let all contracts for new construction or major repairs.
 - [4.] (d) May negotiate with the lowest responsible and responsive bidder on any contract to obtain a revised bid if:
- 39 [(a)] (1) The bid is less than the appropriation made by the 40 Legislature for that building project; and 41 [(b)] (2) The bid does not exceed the relevant budget item for
 - [(b)] (2) The bid does not exceed the relevant budget item for that building project as established by the Board by more than 10 percent.
 - [5.] (e) May reject any or all bids.



[6.] (f) After the contract is let, shall supervise and inspect construction and major repairs. The cost of supervision and inspection must be financed from the capital construction program approved by the Legislature.

[7.] (g) Shall obtain approval from the Interim Finance Committee when the Legislature is not in regular or special session, or from the Legislature by concurrent resolution when the Legislature is in regular or special session, for any change in the scope of the design or construction of a project as that project was authorized by the Legislature. The Board shall adopt by regulation criteria for determining whether a change in the scope of the design or construction of a project requires such approval.

[8.] (h) May authorize change orders, before or during construction:

[(a)] (1) In any amount, where the change represents a reduction in the total awarded contract price.

[(b)] (2) Except as otherwise provided in [paragraph (c),] subparagraph (3), not to exceed in the aggregate 10 percent of the total awarded contract price, where the change represents an increase in that price.

[(e)] (3) In any amount, where the total awarded contract price is less than \$10,000 and the change represents an increase not exceeding the amount of the total awarded contract price.

[9.] (i) Shall specify in any contract with a design professional the period within which the design professional must prepare and submit to the Board a change order that has been authorized by the design professional. As used in this subsection, "design professional" means a person with a professional license or certificate issued pursuant to chapter 623, 623A or 625 of NRS.

[10.] (j) Has final authority to accept each building or structure, or any portion thereof, on property of the State or held in trust for any division of the State Government as completed or to require necessary alterations to conform to the contract or to codes adopted by the Board, and to file the notice of completion and certificate of occupancy for the building or structure.

2. The Board shall not, in any manner, participate in the planning, design, contracting, construction, supervision, acceptance, approval, improvement, repair or inspection of or for a building, project or structure for a local government, unless 25 percent or more of the costs of the building, project or structure as a whole are paid from money appropriated by this State. As used in this subsection, "local government" has the meaning ascribed to it in NRS 338.010.



- **Sec. 6.** NRS 341.191 is hereby amended to read as follows:
- 341.191 1. The Board shall submit reports and make recommendations relative to its findings to the [Governor and to the] Legislature. The Board shall particularly recommend to the [Governor and to the] Legislature the priority of construction of any and all buildings or other construction work now authorized or that may hereafter be authorized or proposed.
- 2. The Board shall submit before October 1 of each evennumbered year its recommendations for projects for capital improvements in the next biennium.
 - **Sec. 7.** NRS 341.211 is hereby amended to read as follows:

341.211 The Board shall:

- 1. Cooperate with other departments and agencies of the State in their planning efforts.
- 2. [Advise] Except as otherwise provided in NRS 341.145, advise and cooperate with municipal, county and other local planning commissions within the State to promote coordination between the State and the local plans and developments.
- 3. Cooperate with the Nevada Arts Council and the Buildings and Grounds Division of the Department of Administration to plan the potential purchase and placement of works of art inside or on the grounds surrounding a state building.
 - **Sec. 8.** NRS 244.3675 is hereby amended to read as follows:
- 244.3675 Subject to the limitations set forth in NRS 244.368, 278.580, 278.582 and 444.340 to 444.430, inclusive, the boards of county commissioners within their respective counties may:
- 1. Regulate all matters relating to the construction, maintenance and safety of buildings, structures and property within the county [.], except for the construction, maintenance and safety of buildings, structures and property of a school district that has established a building department pursuant to section 13 of this act.
- 2. Adopt any building, electrical, housing, plumbing or safety code necessary to carry out the provisions of this section and establish such fees as may be necessary. Except as otherwise provided in NRS 278.580, these fees do not apply to the State of Nevada [-] or the University and Community College System of Nevada . [or any school district.]
 - **Sec. 9.** NRS 268.413 is hereby amended to read as follows:
- 268.413 Subject to the limitations contained in NRS 244.368, 278.580, 278.582 and 444.340 to 444.430, inclusive, the city council or other governing body of an incorporated city may:
- 1. Regulate all matters relating to the construction, maintenance and safety of buildings, structures and property within the city [...], except for the construction, maintenance and safety of



buildings, structures and property of a school district that has established a building department pursuant to section 13 of this act.

Adopt any building, electrical, plumbing or safety code 2. necessary to carry out the provisions of this section and establish such fees as may be necessary. Except as otherwise provided in NRS 278.580, these fees do not apply to the State of Nevada : or the University and Community College System of Nevada. For any school district.

Sec. 10. NRS 278.580 is hereby amended to read as follows: 278.580 1. Subject to the limitation set forth in NRS 244.368,

the governing body of any city or county may adopt a building code, specifying the design, soundness and materials of structures, and may adopt rules, ordinances and regulations for the enforcement of

15 the building code.

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- The governing body may also fix a reasonable schedule of fees for the issuance of building permits. A schedule of fees so fixed does not apply to the State of Nevada \mathbf{H} or the University and Community College System of Nevada, [or any school district,] except that such entities may contract with the governing body to pay such fees for the issuance of building permits, the review of plans and the inspection of construction. Except as it may agree to in such a contract, a governing body is not required to provide for the review of plans or the inspection of construction with respect to a structure of the State of Nevada Θ or the University and Community College System of Nevada . [or any school district.]
- Notwithstanding any other provision of law, the State and its political subdivisions shall comply with all zoning regulations adopted pursuant to this chapter, except for the expansion of any activity existing on April 23, 1971.
- A governing body shall amend its building codes to permit the use of straw or other materials and technologies which conserve scarce natural resources or resources that are renewable in the construction of a structure and the use of solar energy for the heating of a structure, to the extent the local climate allows.
 - A governing body shall amend its building codes to include:
- (a) The seismic provisions of the International Building Code published by the International Code Council; and
- (b) Standards for the investigation of hazards relating to seismic activity, including, without limitation, potential surface ruptures and liquefaction.

Sec. 11. NRS 278.585 is hereby amended to read as follows:

[All] Except as otherwise provided in section 13 of 44 this act, all persons and political subdivisions shall comply with the appropriate city or county building code.



- **Sec. 12.** NRS 387.3335 is hereby amended to read as follows:
- 387.3335 1. The board of trustees of a school district may apply to the Director of the Department of Administration for a grant of money from the Fund created pursuant to NRS 387.333 on a form provided by the Director of the Department of Administration. The application must be accompanied by proof that the following emergency conditions exist within the school district:
- (a) The assessed valuation of the taxable property in the county in which the school district is located is declining and all other resources available to the school district for financing capital improvements are diminishing;
- (b) The combined ad valorem tax rate of the county is at the limit imposed by NRS 361.453; and
 - (c) At least:

- (1) One building that is located on the grounds of a school within the school district has been condemned;
- (2) One of the facilities that is located on the grounds of a school within the school district is unsuitable for use as a result of:
 - (I) Structural defects;
 - (II) Barriers to accessibility; or
- (III) Hazards to life, health or safety, including, without limitation, environmental hazards and the operation of the facility in an unsafe manner; or
- (3) One of the facilities that is located on the grounds of a school within the school district is in such a condition that the cost of renovating the facility would exceed 40 percent of the cost of constructing a new facility.
 - 2. Except as otherwise provided in subsection 3:
- (a) Upon receipt of an application submitted pursuant to subsection 1, the Director of the Department of Administration shall forward the application to the:
 - [(a)] (1) Department of Taxation to determine whether [or not:
- (I) The application satisfies the showing of proof required pursuant to paragraphs (a) and (b) of subsection 1; and
- [(2)] (II) The board of county commissioners in the county in which the school district is located has imposed a tax of more than one-eighth of 1 percent pursuant to NRS 377B.100;
- [(b)] (2) State Public Works Board to determine whether the application satisfies the showing of proof required pursuant to paragraph (c) of subsection 1; and
 - (3) Department of Education for informational purposes.
- [3.] (b) The Department of Taxation and the State Public Works Board shall submit written statements of their determinations pursuant to [subsection 2] paragraph (a) regarding an application to



the Director of the Department of Administration. Upon receipt of such statements, the Director shall submit the application accompanied by the written statements from the Department of Taxation and State Public Works Board to the State Board of Examiners for approval.

3. If the provisions of NRS 341.145 prohibit the participation of the State Public Works Board:

(a) The application otherwise required to be forwarded to the State Public Works Board pursuant to subparagraph (2) of paragraph (a) of subsection 2 must instead be forwarded to a registered architect or licensed professional engineer selected by the board of trustees of the school district that is applying for the grant;

(b) The registered architect or licensed professional engineer shall determine whether the application satisfies the showing of proof required pursuant to paragraph (c) of subsection 1; and

(c) The registered architect or licensed professional engineer shall submit to the Director of the Department of Administration a written statement of his determination pursuant to paragraph (b).

→ Upon receipt of such statement, the Director shall submit the application accompanied by the written statements from the Department of Taxation and the architect or engineer to the State Board of Examiners for approval.

4. The Director of the Department of Administration shall make grants from the Fund created pursuant to NRS 387.333 based upon the need of each school district whose application is approved by the State Board of Examiners.

- 5. The Director of the Department of Administration shall adopt regulations that prescribe the annual deadline for submission of an application to the Director of the Department of Administration by a school district that desires to receive a grant of money from the Fund.
- **Sec. 13.** Chapter 393 of NRS is hereby amended by adding thereto a new section to read as follows:
- 1. The board of trustees of a school district located in a county whose population is 400,000 or more may establish a building department for the school district.
- 2. If the board of trustees of such a school district establishes a building department:
 - (a) The board of trustees shall:
- (1) Regulate all matters relating to the construction, maintenance and safety of buildings, facilities, structures and property of the school district.
- (2) Adopt any building, electrical, plumbing or safety code as necessary to carry out the provisions of this section.



(b) The building department shall, as described in subsection 4 of NRS 393.110, review plans, designs and specifications for the erection of new school buildings and for the addition to or alteration of existing school buildings.

(c) The provisions of NRS 278.585 do not apply to the school district in its regulation of the buildings, facilities, structures and

property of the school district.

Sec. 14. NRS 393.110 is hereby amended to read as follows:

393.110 1. Each school district shall, in the design, construction and alteration of school buildings and facilities comply with the applicable requirements of the Americans with Disabilities Act of 1990, 42 U.S.C. §§ 12101 et seq., and the regulations adopted pursuant thereto, including, without limitation, the Americans with Disabilities Act Accessibility Guidelines for Buildings and Facilities set forth in Appendix A of Part 36 of Title 28 of the Code of Federal Regulations. The requirements of this subsection are not satisfied if a school district complies solely with the Uniform Federal Accessibility Standards set forth in Appendix A of Part 101-19.6 of Title 41 of the Code of Federal Regulations.

2. Except as otherwise provided in **[subsection 3:**

(a) Unless standard plans, designs and specifications are to be used as provided in NRS 385.125, before letting any contract or contracts for the erection of any new school building, the board of trustees of a school district shall submit plans, designs and specifications therefor to, and obtain the written approval of the plans, designs and specifications by, the State Public Works Board. The State Public Works Board shall review the plans, designs and specifications and make any recommendations as expeditiously as practicable. The State Public Works Board is authorized to charge and collect, and the board of trustees is authorized to pay, a reasonable fee for the payment of any costs incurred by the State Public Works Board in securing the approval of qualified architects or engineers of the plans, designs and specifications submitted by the board of trustees in compliance with the provisions of this paragraph.

(b) Before letting any contract or contracts for any addition to or alteration of an existing school building which involves structural systems, or exiting, sanitary or fire protection facilities, the board of trustees of a school district shall submit plans, designs and specifications therefor to, and obtain the written approval of the plans, designs and specifications by, the State Public Works Board. The State Public Works Board shall review the plans, designs and specifications and make any recommendations as expeditiously as practicable. The State Public Works Board is authorized to charge and collect, and the board of trustees is authorized to pay, a



reasonable fee for the payment of any costs incurred by the State Public Works Board in securing the approval of qualified architects or engineers of the plans, designs and specifications submitted by the board of trustees in compliance with the provisions of this paragraph.

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→ The State Public Works Board this section, the board of trustees of a school district shall, before letting any contract or contracts for the erection of any new school building or for any addition to or alteration of an existing school building, submit plans, designs and specifications to, and obtain written approval of the plans, designs and specifications from, the building department of the county or other local building department, as applicable, and all other local agencies or departments whose approval is necessary for the issuance of a permit. A permit for construction must be issued before the school district commences construction. The building department shall conduct inspections of all work to determine compliance with the approved plans, designs and specifications. The building department may charge and collect a reasonable fee from the board of trustees of the school district for the payment of any costs incurred by the building department in reviewing the plans, designs and specifications and for conducting the inspections required by this subsection. If there is no county building department or other local building department in the county in which the school district is located, the board of trustees of the school district shall contract with a private entity or the building department of another local government to obtain the required reviews of the plans, designs and specifications and to have the required inspections conducted.

- 3. In conducting reviews pursuant to subsection 2, the applicable building department or private entity shall verify that all plans, designs and specifications that [it reviews] are reviewed pursuant to this section comply with [all]:
- 33 (a) The applicable requirements of the relevant codes adopted by this State;
- 35 (b) The applicable requirements of the relevant codes adopted 36 by the local authority having jurisdiction; and
 - (c) All applicable requirements of the Americans with Disabilities Act of 1990, 42 U.S.C. §§ 12101 et seq., and the regulations adopted pursuant thereto, including, without limitation, the Americans with Disabilities Act Accessibility Guidelines for Buildings and Facilities set forth in Appendix A of Part 36 of Title 28 of the Code of Federal Regulations.
- The requirements of this subsection are not satisfied if the plans, designs and specifications comply solely with the Uniform Federal



Accessibility Standards set forth in Appendix A of Part 101-19.6 of Title 41 of the Code of Federal Regulations.

- [3. The State Public Works Board may enter into an agreement with the appropriate building department of a county or city to review plans, designs and specifications of a school district pursuant to subsection 2. If the State Public Works Board enters into such an agreement, the board of trustees of the school district shall submit a copy of its plans, designs and specifications for any project to which subsection 2 applies to the building department before commencement of the project for the approval of the building department. The]
- 4. The provisions of subsections 2 and 3 do not apply to a school district that has established a building department pursuant to section 13 of this act. If a school district has established a building department pursuant to section 13 of this act, that building department shall review the plans, designs and specifications [and provide responsive comment as expeditiously as practicable] for the erection of new school buildings and for the addition to or alteration of existing school buildings to verify that the plans, designs and specifications comply with [all]:
- (a) The applicable requirements of the relevant codes adopted by this State; and
- (b) All applicable requirements of the Americans with Disabilities Act of 1990, 42 U.S.C. §§ 12101 et seq., inclusive, and the regulations adopted pursuant thereto, including, without limitation, the Americans with Disabilities Act Accessibility Guidelines for Buildings and Facilities set forth in Appendix A of Part 36 of Title 28 of the Code of Federal Regulations. [The building department may charge and collect a reasonable fee from the board of trustees of the school district for the payment of any costs incurred by the building department in reviewing the plans, designs and specifications. A permit for construction must not be issued without the approval of the building department pursuant to this subsection.]
- The requirements of this subsection are not satisfied if the plans, designs and specifications comply solely with the Uniform Federal Accessibility Standards set forth in Appendix A of Part 101-19.6 of Title 41 of the Code of Federal Regulations.
- [4.] 5. No contract for any of the purposes specified in subsection 1 made by a board of trustees of a school district contrary to the provisions of this section is valid, nor shall any public money be paid for erecting, adding to or altering any school building in contravention of this section.



Sec. 15. NRS 341.060 is hereby repealed.

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- **Sec. 16.** 1. As soon as practicable after July 1, 2005, the Governor shall:
- (a) Determine which, if any, of the terms of the appointed members of the State Public Works Board ended on June 30, 2005; and
- (b) Terminate the appointment of a sufficient number of the remaining appointed members of the Board so that the number of appointed members of the Board is reduced to two.
- 2. The remaining appointed members of the Board shall draw lots to determine which members' appointments will be terminated.
 - **Sec. 17.** This act becomes effective on July 1, 2005.

TEXT OF REPEALED SECTION

341.060 Organization; election of officers. Within a reasonable time after the appointment of the members of the Board, the Board shall meet upon the call of the Governor and shall organize and elect a chairman and vice chairman from among the members appointed pursuant to NRS 341.020.



