

ASSEMBLY BILL NO. 355—ASSEMBLYWOMAN GANSERT

MARCH 15, 2007

Referred to Committee on Ways and Means

SUMMARY—Revises provisions related to capital improvements constructed by or on behalf of the Nevada System of Higher Education. (BDR 28-982)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: 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 public works; revising provisions related to capital improvements constructed by or on behalf of the Nevada System of Higher Education; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law requires the State Public Works Board to provide certain services
2 to the Nevada System of Higher Education with respect to capital improvements.
3 (NRS 341.141, 341.155, 341.201) **Sections 1-4** of this bill set forth that the System
4 is not subject to the provisions of chapter 341 of NRS and remove all references to
5 the System from that chapter. **Section 6** of this bill requires the Board of Regents of
6 the University of Nevada to manage or provide for the management of the System's
7 capital improvements. **Section 7** of this bill allows the Board of Regents to appoint
8 a Manager to perform various duties in connection with the System's capital
9 improvements. The functions of the Manager are similar to those of the Manager of
10 the State Public Works Board. (NRS 341.100) **Section 8** of this bill allows the
11 System to pool appropriated funds in a limited manner to address cost overruns, but
12 prohibits the transfer of appropriated funds between different institutions of the
13 System if the Legislature has designated the appropriated funds for use at a
14 particular institution. **Section 8** also provides that if the Legislature appropriates
15 money to the System for a capital improvement and the System does not commence
16 or cause to be commenced the design or construction of that improvement within 2
17 years, the money so appropriated reverts to the State General Fund.



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:

The provisions of this chapter do not apply to capital improvements constructed by or on behalf of the Nevada System of Higher Education.

Sec. 2. NRS 341.141 is hereby amended to read as follows:

341.141 1. The Board shall furnish engineering and architectural services to ~~{the Nevada System of Higher Education and all other}~~ **all** state departments, boards or commissions charged with the construction of any building constructed on state property or for which the money is appropriated by the Legislature, except:

(a) Buildings used in maintaining highways;

(b) Improvements, other than nonresidential buildings with more than 1,000 square feet in floor area, made:

(1) In state parks by the State Department of Conservation and Natural Resources; or

(2) By the Department of Wildlife; ~~{and}~~

(c) Buildings on property controlled by other state agencies if the Board has delegated its authority in accordance with NRS 341.119 ~~{~~

~~↪ The Board of Regents of the University of Nevada and all}~~ ; and

(d) Buildings, facilities, improvements and structures constructed by or on behalf of the Nevada System of Higher Education.

~~↪~~ **All** other state departments, boards or commissions shall use those services.

2. The services must consist of:

(a) Preliminary planning;

(b) Designing;

(c) Estimating of costs; and

(d) Preparation of detailed plans and specifications.

Sec. 3. NRS 341.155 is hereby amended to read as follows:

341.155 With the concurrence of the Board, ~~{the Board of Regents of the University of Nevada and any other}~~ **any** state department, board or commission may enter into agreements with persons, associations or corporations to provide consulting services to determine and plan the construction work that may be necessary to meet the needs of the programs of those agencies. These contracts must ~~{be}~~ :

1. **Be** for a term not exceeding 5 years ; and ~~{must provide}~~

2. **Provide** for payment of a fee for those services not to exceed one-half of 1 percent of the total value of ~~{~~



~~1. In the case of the Nevada System of Higher Education, building construction contracts relating to the construction of a branch or facility within the Nevada System of Higher Education; and~~

~~2. In the case of another state department, board or commission,]~~ all construction contracts relating to construction for ~~[that agency,~~

→] the applicable state department, board or commission during the term and in the area covered by the contract.

Sec. 4. NRS 341.201 is hereby amended to read as follows:

341.201 The Board shall inspect all state buildings periodically ~~[, including all buildings at the University of Nevada, Reno, and at the University of Nevada, Las Vegas,]~~ and all physical plant facilities at all state institutions. Reports of all inspections, including findings and recommendations, must be submitted to the appropriate state agencies , and ~~[H]~~ if the Board finds any matter of serious concern in a report, it shall submit that report to the Legislative Commission.

Sec. 5. Chapter 396 of NRS is hereby amended by adding thereto the provisions set forth as sections 6, 7 and 8 of this act.

Sec. 6. 1. The Board of Regents shall manage or cause to be managed all capital improvements constructed by or on behalf of the System.

2. In carrying out the provisions of subsection 1, the Board of Regents may procure or cause to be procured such architectural, consulting, contracting and engineering services as the Board may determine to be necessary or advisable.

3. The Board of Regents shall recommend to the Governor and to the Legislature the priority of construction of any and all buildings, facilities, improvements, structures or other construction work now authorized or that may hereafter be authorized or proposed. The Board shall submit before October 1 of each even-numbered year its recommendations for capital improvements in the next biennium.

Sec. 7. 1. The Board of Regents may appoint a Manager who serves at the pleasure of the Board. The Board may remove the Manager for inefficiency, neglect of duty, malfeasance or for other just cause.

2. The Manager, with the approval of the Board of Regents, 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 manage the System's capital improvement projects.



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1 3. The Manager and his deputies are in the unclassified
2 service of the State. Except as otherwise provided in NRS 284.143,
3 the Manager and each deputy shall devote his entire time and
4 attention to the business of his office and shall not pursue any
5 other business or occupation or hold any other office of profit.

6 4. The Manager and his deputy for professional services must
7 each be a licensed professional engineer pursuant to the
8 provisions of chapter 625 of NRS or an architect registered
9 pursuant to the provisions of chapter 623 of NRS. The deputy
10 manager for administrative, fiscal and constructional services
11 must have a comprehensive knowledge of the principles of
12 administration and a working knowledge of the principles
13 of engineering or architecture as determined by the Board of
14 Regents.

15 5. The Manager shall:

16 (a) Represent the Board of Regents before the Legislature with
17 respect to the System's capital improvements.

18 (b) Prepare and submit to the Board of Regents, for its
19 approval, the recommended priority for the System's proposed
20 capital improvements and provide to the Board an estimate of the
21 cost of each such project.

22 (c) Make recommendations to the Board of Regents for the
23 selection of architects, consultants, contractors and engineers.

24 (d) Make recommendations to the Board of Regents
25 concerning the acceptance of completed capital improvements.

26 (e) Advise the Board of Regents and the Legislature, or the
27 Interim Finance Committee if the Legislature is not in session, on
28 a monthly basis of the progress of all the System's capital
29 improvements.

30 (f) Serve as the building official for all buildings, facilities,
31 improvements and structures that are leased, managed, occupied,
32 operated or owned by the System.

33 (g) Periodically inspect or cause to be inspected all buildings,
34 facilities, improvements and structures that are leased, managed,
35 occupied, operated or owned by the System. Reports of all such
36 inspections, including findings and recommendations, must be
37 submitted to the Board of Regents, and if the Board finds any
38 matter of serious concern in a report, it shall submit that report to
39 the Legislative Commission.

40 (h) Perform such other duties as the Board of Regents may
41 from time to time direct.

42 Sec. 8. 1. Except as otherwise provided in subsections 2
43 and 3, and notwithstanding the conditions or provisions of any
44 appropriation to the contrary, if the Legislature appropriates
45 money to the System for a capital improvement or for furniture,



1 *fixtures or equipment that will be used in connection with the*
2 *capital improvement, or both, the System may pool the money so*
3 *appropriated such that if:*

4 *(a) The actual cost of a capital improvement or for furniture,*
5 *fixtures or equipment that will be used in connection with the*
6 *capital improvement, or both, is less than the estimated cost; and*

7 *(b) The actual cost of another capital improvement or for*
8 *furniture, fixtures or equipment that will be used in connection*
9 *with the capital improvement, or both, exceeds the estimated cost,*
10 *↳ any surplus money attributable to the situation described in*
11 *paragraph (a) may be used to address a deficit described in*
12 *paragraph (b).*

13 *2. If the Legislature appropriates money to the System for a*
14 *capital improvement or for furniture, fixtures or equipment, or*
15 *both, and if the money so appropriated is designated by the*
16 *Legislature for use at a particular institution of the System,*
17 *the provisions of subsection 1 do not allow the System to transfer*
18 *the money for use at a different institution of the System.*

19 *3. Except as otherwise provided by law, if the Legislature*
20 *appropriates money to the System for a capital improvement, the*
21 *money so appropriated reverts to the State General Fund if, within*
22 *2 years after the date on which the appropriation is made, the*
23 *System does not commence or cause to be commenced the design*
24 *or construction of the capital improvement.*

25 **Sec. 9.** NRS 396.4355 is hereby amended to read as follows:

26 396.4355 1. The Board of Regents shall, for each fiscal year,
27 compile a report concerning the capital improvements *that are*
28 *leased, managed, occupied, operated or owned* ~~f, leased or~~
29 ~~operated~~ by the System.

30 2. The report of the capital improvements required pursuant to
31 subsection 1 must be prepared in such detail as is required by
32 generally accepted accounting principles.

33 3. The Board of Regents shall, on or before February 1 of each
34 year, submit, in any format, including an electronic format, a copy
35 of the report compiled pursuant to subsection 1 to the Director of the
36 Legislative Counsel Bureau for distribution to each regular session
37 of the Legislature.

38 *4. The requirements of this section are in addition to any*
39 *advisements, recommendations and reports that the Board of*
40 *Regents or the Manager is required to submit to the Legislature,*
41 *Legislative Commission or Interim Finance Committee pursuant*
42 *to section 6 or 7 of this act.*

43 **Sec. 10.** This act becomes effective on July 1, 2007.

