

ASSEMBLY BILL NO. 513—COMMITTEE ON GOVERNMENT AFFAIRS

MARCH 23, 2007

Referred to Committee on Government Affairs

SUMMARY—Revises provisions relating to general improvement districts. (BDR 25-1380)

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 general improvement districts; requiring the creation of certain general improvement districts in certain counties within the sphere of influence of certain cities; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes each board of county commissioners to create general improvement districts within the county. (Chapter 318 of NRS) This bill requires the board of county commissioners of a county whose population is 100,000 or more but less than 400,000 (currently Washoe County) to create one such district of at least 5,000 acres within the sphere of influence of a city whose population is 100,000 or more (currently Reno) and one such district of at least 2,000 acres within the sphere of influence of a city whose population is 60,000 or more but less than 100,000 (currently Sparks).

Section 2 of this bill provides the prerequisites for creating such a general improvement district. **Section 3** of this bill provides for the governing body of the city in whose sphere of influence the district is located to initially serve as the board of trustees of the district. After establishing a budget and certain accounting, auditing and management standards for the district and upon the district containing at least two qualified electors, the governing body of the city is required to appoint five members to serve as the board of trustees. After the initial terms of these appointed members, the board of trustees will consist of two members elected by the qualified electors of the district and three members appointed by the governing body of the city.

Section 4 of this bill provides a procedure for adding basic powers to the general improvement district that were not provided in its formation and authorizes territory contiguous to the district to be added to the district. **Section 5** of this bill provides for the merger of the general improvement district with the city within



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23 whose sphere of influence the district is located when all the territory of the district
24 has been annexed by the city.

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

1 **Section 1.** Chapter 318 of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 2 to 8, inclusive, of this
3 act.

4 **Sec. 2. 1.** *Subject to the provisions of subsection 2, the*
5 *board of county commissioners of a county whose population is*
6 *100,000 or more but less than 400,000 shall create:*

7 *(a) Within the sphere of influence of an incorporated city in*
8 *the county whose population is 100,000 or more, one district*
9 *comprising at least 5,000 acres; and*

10 *(b) Within the sphere of influence of an incorporated city in*
11 *the county whose population is 60,000 or more but less than*
12 *100,000, one district comprising at least 2,000 acres.*

13 **2.** *A board of county commissioners shall adopt an ordinance*
14 *creating a district pursuant to this section if:*

15 *(a) Each owner of property located within the proposed*
16 *district:*

17 *(1) Files with the board of county commissioners a request*
18 *for the creation of such a district; and*

19 *(2) Applies for annexation to the city within whose sphere*
20 *of influence the property is located;*

21 *(b) The governing body of the city within whose sphere of*
22 *influence the proposed district is located has made the following*
23 *findings:*

24 *(1) Public convenience and necessity require the creation*
25 *of the proposed district;*

26 *(2) The creation of the proposed district is economically*
27 *sound and feasible; and*

28 *(3) The service plan for the proposed district:*

29 *(I) Meets the requirements of subsection 1 of*
30 *NRS 308.030;*

31 *(II) Does not meet any of the criteria for disapproval of*
32 *a service plan enumerated in NRS 308.060; and*

33 *(III) Provides for adequate police protection for the*
34 *proposed district and for the funding of such police protection;*
35 *and*

36 *(c) The board of county commissioners has had an opportunity*
37 *to review and make advisory comments on the findings of the*
38 *governing body of the city described in paragraph (b).*



1 3. The adoption of the ordinance creating a district pursuant
2 to this section finally and conclusively establishes the regular
3 organization of the district against all persons, which district
4 thereafter is a governmental subdivision of the State of Nevada, a
5 body corporate and politic and a quasi-municipal corporation.

6 4. Within 30 days after the effective date of the ordinance
7 creating the district, the county clerk shall file a copy of the
8 ordinance in his office and shall cause to be filed an additional
9 copy of the ordinance in the Office of the Secretary of State, which
10 filings must be without fee and be otherwise in the same manner
11 as articles of incorporation are required to be filed under chapter
12 78 of NRS.

13 **Sec. 3.** 1. After adopting an ordinance creating a district
14 pursuant to section 2 of this act, and before appointing the first
15 board of trustees for the district pursuant to subsection 3, the
16 governing body of the city within whose sphere of influence the
17 district is located is ex officio the board of trustees for the district
18 and has the authority provided to and shall undertake the duties
19 imposed on a board of trustees by this chapter, including, without
20 limitation, the duties and powers pursuant to NRS 318.0953,
21 318.09533 and 318.09535 with respect to a board of county
22 commissioners acting ex officio as the board of trustees of the
23 district.

24 2. While acting as the board of trustees of the district, the
25 governing body shall establish:

26 (a) Accounting practices and procedures to be used by the
27 district;

28 (b) Auditing practices and procedures to be used by the
29 district;

30 (c) A budget for the district;

31 (d) Management standards for the district; and

32 (e) The compensation and bonds required of the trustees.

33 3. After the governing body has performed the duties required
34 by subsection 2 and upon the district containing at least two
35 qualified electors, the governing body shall:

36 (a) Appoint two qualified electors of the district to serve as
37 members of the board of trustees of the district and shall specify
38 therein the terms of office to the first Monday in January next
39 following the respective election dates provided in subsection 4 of
40 NRS 318.095; and

41 (b) Appoint three qualified electors of the district or of the city,
42 each of whom may be a member of the governing body, to serve as
43 members of the board of trustees of the district.



1 **4. The members of the board of trustees shall qualify by filing**
2 **with the county clerk their oaths of office and corporate surety**
3 **bonds.**

4 **5. After the expiration of the terms of office of the members**
5 **of the board appointed pursuant to paragraph (a) of subsection 3,**
6 **the board of trustees of a district created pursuant to section 2 of**
7 **this act shall consist of two members elected pursuant to**
8 **subsection 4 of NRS 318.095 and three members, who must be**
9 **qualified electors of either the district or the city and may be a**
10 **member of the governing body of the city, appointed by the**
11 **governing body of the city.**

12 **6. The members of the board of trustees of a district created**
13 **pursuant to section 2 of this act who are appointed by the**
14 **governing body of a city may be removed from the board by a vote**
15 **of a majority of the members of the governing body of the city.**

16 **7. The members of the board of trustees of a district created**
17 **pursuant to section 2 of this act who are elected may be removed**
18 **in the manner set forth in NRS 318.0955.**

19 **Sec. 4. 1. The board of trustees of a district created**
20 **pursuant to section 2 of this act has the authority provided to and**
21 **shall undertake the duties imposed on a board of trustees by this**
22 **chapter.**

23 **2. The board of trustees of a district created pursuant to**
24 **section 2 of this act may elect to add basic powers not provided in**
25 **its formation, in which event the board shall cause proceedings to**
26 **be had by the governing body of the city in whose sphere of**
27 **influence the district is located. The board shall obtain in**
28 **connection with each such additional basic power a modified**
29 **service plan for the district in a manner like that provided for an**
30 **initial service plan required for the organization of a district in the**
31 **Special District Control Law.**

32 **3. Contiguous territory may be added to a district created**
33 **pursuant to section 2 of this act in the manner set forth in NRS**
34 **318.258 pursuant to a petition filed by the owner of the territory if**
35 **the owner of the territory has applied for annexation to the city**
36 **within whose sphere of influence the district is located and the**
37 **territory is within that sphere of influence. As used in this**
38 **subsection, "contiguous territory" means real property that abuts**
39 **a boundary of a district created pursuant to section 2 of this act.**

40 **Sec. 5. 1. If all the territory of a district created pursuant to**
41 **section 2 of this act is annexed pursuant to NRS 268.610 to**
42 **268.670, inclusive, the board of county commissioners shall adopt**
43 **an ordinance providing for the merger of the district and the**
44 **annexing city and fixing a time and place for a hearing on the**



1 *merger, to be held not later than 90 days after all the territory of*
2 *the district has been annexed.*

3 *2. The county clerk shall thereupon certify a copy of the*
4 *ordinance to the board of trustees of the district and shall mail*
5 *written notice to all owners of real property within the district,*
6 *containing the following:*

7 *(a) The adoption of the ordinance; and*

8 *(b) The time and place for the hearing on the merger.*

9 *3. After the hearing on the merger and upon determining that*
10 *all outstanding indebtedness and bonds of all kinds of the district*
11 *have been paid or will be assumed by the resulting merged unit of*
12 *government, the board of county commissioners shall adopt a final*
13 *ordinance merging the district and the city.*

14 *4. Except as otherwise provided in subsections 1, 2 and 3, a*
15 *district created pursuant to section 2 of this act may not be*
16 *merged, consolidated or dissolved unless the board of trustees of*
17 *the district consents by a majority vote to the merger,*
18 *consolidation or dissolution.*

19 **Sec. 6.** *1. The provisions of sections 2 to 6, inclusive, of this*
20 *act must not be construed to:*

21 *(a) Preclude any districts, cities or counties from entering into*
22 *any interlocal or other agreements regarding services to be*
23 *provided to a district;*

24 *(b) Eliminate the duties of any county or other entity to*
25 *provide services which it is obligated to provide within its*
26 *boundaries or by agreement; or*

27 *(c) Impair any authority granted to a city pursuant to NRS*
28 *278.010 to 278.630, inclusive, over the territory within the sphere*
29 *of influence of the city.*

30 *2. In the event of conflict between the provisions of sections 2*
31 *to 6, inclusive, of this act and the provisions of this chapter and*
32 *chapter 308 of NRS, the provisions of sections 2 to 6, inclusive, of*
33 *this act control.*

34 **Sec. 7.** *In the case of a district created pursuant to section 2*
35 *of this act, wholly or in part for the purpose of furnishing police*
36 *protection, the board may:*

37 *1. Acquire police protection equipment and acquire,*
38 *construct or improve police protection facilities and make*
39 *improvements necessary and incidental thereto; and*

40 *2. Coordinate police protection activities with any local law*
41 *enforcement agency located within the district.*

42 **Sec. 8.** *In the case of a district created pursuant to section 2*
43 *of this act, wholly or in part for furnishing snow removal services,*
44 *the board may:*



1 *1. Acquire and maintain any equipment and property*
2 *necessary for those services;*

3 *2. Hire and supervise personnel necessary to carry out the*
4 *functions of the district; and*

5 *3. Fix rates or charges for the use of the services furnished*
6 *by the district and change those rates or charges as it considers*
7 *necessary.*

8 **Sec. 9.** NRS 318.020 is hereby amended to read as follows:

9 318.020 As used in this chapter, unless the context otherwise
10 requires:

11 1. "Acquisition," "acquire" and "acquiring" each means
12 acquisition, extension, alteration, reconstruction, repair or other
13 improvement by purchase, construction, installation, reconstruction,
14 condemnation, lease, rent, gift, grant, bequest, devise, contract or
15 other acquisition, or any combination thereof.

16 2. "Board of trustees" and "board" alone each means the board
17 of trustees of a district.

18 3. "FM radio" means a system of radio broadcasting by means
19 of frequency modulation.

20 4. "General improvement district" and "district" alone each
21 means any general improvement district organized or, in the case of
22 organizational provisions, proposed to be organized, pursuant to this
23 chapter.

24 5. "Mail" means a single mailing first class or its equivalent,
25 postage prepaid, by deposit in the United States mails, at least 15
26 days before the designated time or event.

27 6. "Project" and "improvement" each means any structure,
28 facility, undertaking or system which a district is authorized to
29 acquire, improve, equip, maintain or operate. A project may consist
30 of all kinds of personal and real property, including, but not limited to,
31 land, elements and fixtures thereon, property of any nature
32 appurtenant thereto or used in connection therewith, and every
33 estate, interest and right therein, legal or equitable, including terms
34 for years, or any combination thereof.

35 7. "Publication" means publication once in a newspaper of
36 general circulation in the district at least 15 days before the
37 designated time or event.

38 8. "Qualified elector" means a person who has registered to
39 vote in district elections.

40 9. "Special assessment district" means any local public
41 improvement district organized within a general improvement
42 district by the board of trustees of such general improvement district
43 pursuant to this chapter.

44 10. *"Sphere of influence" has the meaning ascribed to it in*
45 *NRS 268.623.*



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1 **11.** “Trustees” means the members of a board.

2 **Sec. 10.** NRS 318.050 is hereby amended to read as follows:

3 318.050 1. Except as otherwise provided in this chapter, the
4 board of county commissioners of any county within this State is
5 hereby vested with jurisdiction, power and authority to create
6 districts within the county which it serves.

7 2. No member of a board of county commissioners, *governing*
8 *body of a city* or board of trustees shall be disqualified to perform
9 any duty imposed by this chapter by reason of ownership of
10 property within any proposed district.

11 3. If the boundaries of a proposed district include territory
12 within two or more counties, the board of county commissioners of
13 the county in which is located the larger or largest proportion of the
14 area of the proposed district has the jurisdiction, power and
15 authority to create the district, to broaden its basic powers and
16 otherwise to supervise the district as provided in this chapter.

17 **Sec. 11.** NRS 318.055 is hereby amended to read as follows:

18 318.055 *Except as otherwise provided in section 2 of this act:*

19 1. The formation of a district may be initiated by:

20 (a) A resolution adopted by the board of county commissioners;
21 or

22 (b) A petition proposed by any owner of property to be located
23 in the district.

24 2. After adoption of the resolution or receipt of the petition the
25 organization of the district must be initiated by the adoption of an
26 ordinance by the board of county commissioners, which is in this
27 chapter sometimes designated the “initiating ordinance.” No
28 initiating ordinance may be adopted by the board of county
29 commissioners if the proposed district includes any real property
30 within 7 miles from the boundary of an incorporated city or
31 unincorporated town unless:

32 (a) All members of the board of county commissioners
33 unanimously vote for the organization of a district with boundaries
34 which contravene this 7-mile limitation;

35 (b) A petition for annexation to or inclusion within the
36 incorporated city or unincorporated town of that property has first
37 been filed with the governing body of the incorporated city or
38 unincorporated town pursuant to law and the governing body thereof
39 has refused to annex or include that property and has entered the
40 fact of that refusal in its minutes;

41 (c) No part of the area within the district is eligible for inclusion
42 in a petition for such an annexation; or

43 (d) The governing body of the incorporated city or the town
44 board of the unincorporated town, by resolution, consents to the
45 formation of the district.



3. Except as is otherwise provided in this chapter, a district may be entirely within or entirely without, or partly within and partly without, one or more municipalities or counties, and the district may consist of noncontiguous tracts or parcels of property.

4. The initiating ordinance must set forth:

(a) The name of the proposed district, consisting of a chosen name preceding the word "District," or, if the district is authorized to exercise more than one basic power, the words "General Improvement District." If a district's name as provided in the organizational proceedings does not include the words "General Improvement," and if subsequently any additional basic power is granted to the district pursuant to NRS 318.077, the board of county commissioners may redesignate the district with a chosen name preceding the words "General Improvement District."

(b) A statement of the basic power or basic powers for which the district is proposed to be created, ~~for~~ for instance, by way of illustration, "for paving, curb and gutters, sidewalks, storm drainage and sanitary sewer improvements within the district." ~~The basic power or basic powers stated in the initiating ordinance must be one or more of those authorized in NRS 318.116, as supplemented by the sections of this chapter designated therein.~~

(c) A statement that the ordinance creating the district will be based on the board's finding:

(1) That public convenience and necessity require the creation of the district;

(2) That the creation of the district is economically sound and feasible;

(3) That the service plan for the district conforms to subsection 1 of NRS 308.030; and

(4) That the service plan for the district does not contravene any of the criteria enumerated in subsection 1 of NRS 308.060.

(d) A general description of the boundaries of the district or the territory to be included therein, with such certainty as to enable an owner of property to determine whether his property is within the district.

(e) The place and time for the hearing on the creation of the district.

Sec. 12. NRS 318.060 is hereby amended to read as follows:

318.060 After such initiating ordinance has been adopted by the board of county commissioners ~~for~~ pursuant to NRS 318.055, the county clerk shall mail written notice to all property owners within the proposed district of the intention of the board of county commissioners to establish such district, which notice shall set forth the name, statement of purposes, general description and time and place of hearing.



Sec. 13. NRS 318.065 is hereby amended to read as follows:

318.065 *Except as otherwise provided in section 2 of this act:*

1. Any person who owns property which is located within the district may, on or before the date fixed, protest against the establishment of such district, in writing, which protest shall be filed with the county clerk of such county.

2. If, at or before the time fixed in the initiating ordinance and notice, written protest is filed, signed by a majority of the owners of property within such proposed district, the district shall not be established.

3. If any written protests are filed and the board of county commissioners determines that the protests so filed represent less than a majority of the owners of property within the district, the board of county commissioners, in its discretion but subject to the limitation provided by NRS 318.070, may proceed with the creation of the district. If the board of county commissioners does so proceed, the ordinance of the board of county commissioners creating the district, for which provision is made in this chapter, shall contain a recital of the number of protests filed and such recital is binding and conclusive for all purposes.

Sec. 14. NRS 318.070 is hereby amended to read as follows:

318.070 *Except as otherwise provided in section 2 of this act:*

1. At the place, date and hour specified for the hearing in the notice or at any subsequent time to which the hearing may be adjourned, the board of county commissioners shall give full consideration to all protests which may have been filed and shall hear all persons desiring to be heard and shall thereafter adopt an ordinance either creating the district or determining that it shall not be created.

2. If the board of county commissioners determines at the hearing that the proponents of such proposed district have failed to show that creation of the district is required by public convenience and necessity or have failed to show that the creation of such district is economically sound and feasible, or both, it shall adopt an ordinance determining that it shall not be created.

3. Any ordinance creating a district may contain such changes as may be considered by the board of county commissioners to be equitable and necessary.

Sec. 15. NRS 318.075 is hereby amended to read as follows:

318.075 *Except as otherwise provided in section 2 of this act:*

1. Except as otherwise provided in subsection 2, the adoption of the ordinance creating the district shall finally and conclusively establish the regular organization of the district against all persons, which district shall thenceforth be a governmental subdivision of the



1 State of Nevada, a body corporate and politic and a quasi-municipal
2 corporation.

3 2. Within 30 days immediately following the effective date of
4 such ordinance any person who has filed a written protest, as
5 provided in NRS 318.065, shall have the right to commence an
6 action in any court of competent jurisdiction to set aside such
7 determination. Thereafter all actions or suits attacking the regularity,
8 validity and correctness of that ordinance and all proceedings,
9 determinations and instruments taken, adopted or made prior to such
10 ordinance's final passage, shall be perpetually barred.

11 3. Within 30 days after the effective date of the ordinance
12 creating the district, the county clerk shall file a copy of the
13 ordinance in his office and shall cause to be filed an additional copy
14 of the ordinance in the Office of the Secretary of State, which filings
15 shall be without fee and be otherwise in the same manner as articles
16 of incorporation are required to be filed under chapter 78 of NRS.

17 **Sec. 16.** NRS 318.077 is hereby amended to read as follows:

18 318.077 ~~[The]~~ *Except as otherwise provided in section 4 of*
19 *this act, the* board may elect to add basic powers not provided in its
20 formation, in which event the board shall cause proceedings to be
21 had by the board of county commissioners similar, as nearly as may
22 be, to those provided for the formation of the district, and with like
23 effect. The board shall obtain in connection with each such
24 additional basic power a modified service plan for the district in a
25 manner like that provided for an initial service plan required for the
26 organization of a district in the Special District Control Law.

27 **Sec. 17.** NRS 318.080 is hereby amended to read as follows:

28 318.080 *Except as otherwise provided in section 3 of this act:*

29 1. After adopting an ordinance creating a district and before
30 appointing the first board of trustees for the district, the board of
31 county commissioners is, ex officio, the board of trustees for the
32 district.

33 2. While acting as the board of trustees, the board of county
34 commissioners shall establish:

- 35 (a) Accounting practices and procedures for the district;
36 (b) Auditing practices and procedures to be used by the district;
37 (c) A budget for the district; and
38 (d) Management standards for the district.

39 3. Except as otherwise provided in NRS 318.0953 and
40 318.09533, after the board of county commissioners has performed
41 the duties required by subsection 2, it shall appoint five persons to
42 serve as the first board of trustees of the district and shall specify
43 therein the terms of office to the first Monday in January next
44 following the respective election dates provided in NRS 318.095.



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1 Except as otherwise provided in subsection 5, these persons must be
2 qualified electors of the district.

3 4. The members of the board of trustees shall qualify by filing
4 with the county clerk their oaths of office and corporate surety
5 bonds, at the expense of the district, the bonds to be in an amount
6 not more than \$10,000 each, the form and exact amount thereof to
7 be approved and determined, respectively, by the board of county
8 commissioners, conditioned for the faithful performance of their
9 duties as trustees. The board of county commissioners may from
10 time to time, upon good cause shown, increase or decrease the
11 amount of the bond.

12 5. The board of county commissioners may appoint as one of
13 the five initial trustees as provided by subsection 1 the district
14 attorney for the county or a deputy district attorney on his staff.
15 Such appointee need not be a qualified elector of the district, but no
16 such attorney is qualified for appointment to fill any vacancy on the
17 board pursuant to NRS 318.090 or qualified as a candidate for
18 election to the board at any biennial election pursuant to NRS
19 318.095 unless he is a qualified elector of the district.

20 6. The board of county commissioners of the county vested
21 with jurisdiction pursuant to NRS 318.050 may remove any trustee
22 serving on an appointed or elected board of trustees for cause
23 shown, on petition, hearing and notice thereof by publication and by
24 mail addressed to the trustee.

25 **Sec. 18.** NRS 318.085 is hereby amended to read as follows:

26 318.085 Except as otherwise provided in NRS 318.0953 and
27 318.09533:

28 1. After taking oaths and filing bonds, the board shall choose
29 one of its members as chairman of the board and president of the
30 district, and shall elect a secretary and a treasurer of the board and
31 of the district, who may or may not be members of the board. The
32 secretary and the treasurer may be one person.

33 2. The board shall adopt a seal.

34 3. The secretary shall keep audio recordings or transcripts of all
35 meetings and, in a well-bound book, a record of all of the board's
36 proceedings, minutes of all meetings, any certificates, contracts,
37 bonds given by employees and all corporate acts. Except as
38 otherwise provided in NRS 241.035, the book, audio recordings,
39 transcripts and records must be open to inspection of all owners of
40 real property in the district as well as to all other interested persons.

41 4. The treasurer shall keep strict and accurate accounts of all
42 money received by and disbursed for and on behalf of the district in
43 permanent records. He shall file with the county clerk, at the
44 expense of the district, a corporate surety bond in an amount not
45 more than \$50,000, the form and exact amount thereof to be



1 approved and determined, respectively, by the board of county
2 commissioners, conditioned for the faithful performance of the
3 duties of his office. Any other officer or trustee who actually
4 receives or disburses money of the district shall furnish a bond as
5 provided in this subsection. The board of county commissioners
6 may, upon good cause shown, increase or decrease the amount of
7 that bond.

8 5. Except as otherwise provided in this subsection ~~§~~ *and*
9 *section 3 of this act*, each member of a board of trustees of a district
10 organized or reorganized pursuant to this chapter may receive as
11 compensation for his service not more than \$6,000 per year. Each
12 member of a board of trustees of a district that is organized or
13 reorganized pursuant to this chapter and which is granted the powers
14 set forth in NRS 318.140, 318.142 and 318.144 may receive as
15 compensation for his service not more than \$9,000 per year. The
16 compensation of the members of a board is payable monthly, if the
17 budget is adequate and a majority of the members of the board vote
18 in favor of such compensation, but no member of the board may
19 receive any other compensation for his service to the district as an
20 employee or otherwise. Each member of the board must receive the
21 same amount of compensation. If a majority of the members of
22 the board vote in favor of an increase in the compensation of the
23 trustees, the increase may not become effective until January 1 of
24 the calendar year immediately following the next biennial election
25 of the district as set forth in NRS 318.095.

26 **Sec. 19.** NRS 318.090 is hereby amended to read as follows:

27 318.090 Except as otherwise provided in NRS 318.0953 and
28 318.09533:

29 1. The board shall, by resolution, designate the place where the
30 office or principal place of the district is to be located, which must
31 be within the corporate limits of the district, and which may be
32 changed by resolution of the board. Copies of all those resolutions
33 must be filed with the county clerk or clerks of the county or
34 counties wherein the district is located within 5 days after their
35 adoption. The official records and files of the district must be kept at
36 that office and must be open to public inspection as provided in
37 NRS 239.010.

38 2. The board of trustees shall meet regularly at least once each
39 year, and at such other times at the office or principal place of the
40 district as provided in the bylaws.

41 3. Special meetings may be held on notice to each member of
42 the board as often as, and at such places within the district as, the
43 needs of the district require.

44 4. Three members of the board constitute a quorum at any
45 meeting.



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5. A vacancy on the board must be filled by a qualified elector of the district chosen by the remaining members of the board, the appointee to act until a successor in office qualifies as provided in NRS 318.080 *or section 3 of this act* on or after the first Monday in January next following the next biennial election, held in accordance with NRS 318.095, at which election the vacancy must be filled by election if the term of office extends beyond that first Monday in January. Nominations of qualified electors of the district as candidates to fill unexpired terms of 2 years may be made the same as nominations for regular terms of 4 years, as provided in NRS 318.095. If the board fails, neglects or refuses to fill any vacancy within 30 days after the vacancy occurs, the board of county commissioners shall fill that vacancy.

6. Each term of office of 4 years terminates on the first Monday in January next following the general election at which a successor in office is elected, as provided in NRS 318.095. The successor's term of office commences then or as soon thereafter as the successor qualifies as provided in NRS 318.080 ~~§~~ *or section 3 of this act*, subject to the provisions in this chapter for initial appointments to a board, for appointments to fill vacancies of unexpired terms, and for the reorganizations of districts under this chapter which were organized under other chapters of NRS.

Sec. 20. NRS 318.095 is hereby amended to read as follows:

318.095 Except as otherwise provided in NRS 318.0953:

1. There must be held simultaneously with the first general election in the county after the creation of the district and simultaneously with every general election thereafter an election to be known as the biennial election of the district. The election must be conducted under the supervision of the county clerk or registrar of voters. A district shall reimburse the county clerk or registrar of voters for the costs he incurred in conducting the election for the district.

2. The office of trustee is a nonpartisan office. The general election laws of this State govern the candidacy, nominations and election of a member of the board. The names of the candidates for trustee of a district may be placed on the ballot for the primary or general election.

3. ~~§~~ *Except as otherwise provided in subsection 4, at the first biennial election in any district organized or reorganized and operating under this chapter, and each fourth year thereafter, there must be elected by the qualified electors of the district two qualified electors as members of the board to serve for terms of 4 years. At the second biennial election and each fourth year thereafter, there must be so elected three qualified electors as members of the board to serve for terms of 4 years.*



4. *At the first biennial election in any district created pursuant to section 2 of this act, and each fourth year thereafter, there must be elected by the qualified electors of the district one qualified elector as a member of the board to serve for a term of 4 years. At the second biennial election and each fourth year thereafter, there must be so elected one qualified elector as a member of the board to serve for a term of 4 years.*

5. The secretary of the district shall give notice of election by publication, and shall arrange such other details in connection therewith as the county clerk or registrar of voters may direct.

~~5.1~~ 6. Any new member of the board must qualify in the same manner as members of the first board qualify.

Sec. 21. NRS 318.0951 is hereby amended to read as follows:

318.0951 Except as otherwise provided in NRS 318.0952 or 318.0953:

1. Each trustee elected at any biennial election must be chosen by a plurality of the qualified electors of the district voting on the candidates for the vacancies to be filled.

2. *If there is one regular term which ends on the first Monday in January next following the biennial election, the qualified elector receiving the highest number of votes must be elected.* If there are two regular terms which end on the first Monday in January next following the biennial election, the two qualified electors receiving the highest and next highest number of votes must be elected. If there are three regular terms so ending, the three qualified electors receiving the highest, next highest and third highest number of votes must be elected.

3. If there is a vacancy in an unexpired regular term to be filled at the biennial election, as provided in subsection 5 of NRS 318.090, the candidate who receives the highest number of votes, after there are chosen the successful candidates to fill the vacancies in expired regular terms as provided in subsection 2, must be elected.

Sec. 22. NRS 318.0952 is hereby amended to read as follows:

318.0952 Except as otherwise provided in NRS 318.0953 ~~5.1~~, *and except for districts created pursuant to section 2 of this act:*

1. Trustees may be elected in the alternate manner provided in this section from election areas within the district.

2. Within 30 days before May 1 of any year in which a general election is to be held in the State, 10 percent or more of the qualified electors of the district voting at the next preceding biennial election of the district may file a written petition with the board of county commissioners of the county vested with jurisdiction under NRS 318.050 praying for the creation of election areas within the district in the manner provided in this section. The petition must specify with particularity the five areas proposed to be created. The



1 description of the proposed election areas need not be given by
2 metes and bounds or by legal subdivisions, but must be sufficient to
3 enable a person to ascertain what territory is proposed to be included
4 within a particular area. The signatures to the petition need not all be
5 appended to one paper, but each signer must add to his name his
6 place of residence, giving the street and number whenever
7 practicable. One of the signers of each paper shall take an oath,
8 before a person competent to administer oaths, that each signature to
9 the paper appended is the genuine signature of the person whose
10 name it purports to be.

11 3. Immediately after the receipt of the petition, the board of
12 county commissioners shall fix a date for a public hearing to be held
13 during the month of May, and shall give notice thereof by
14 publication at least once in a newspaper published in the county, or
15 if no such newspaper is published therein then in a newspaper
16 published in the State of Nevada and having a general circulation in
17 the county. The costs of publication of that notice are a proper
18 charge against the district fund.

19 4. If, as a result of the public hearing, the board of county
20 commissioners finds that the creation of election areas within the
21 district is desirable, the board of county commissioners shall, by
22 resolution regularly adopted before June 1, divide the district into
23 the areas specified in the petition, designate them by number and
24 define their boundaries. The territory comprising each election area
25 must be contiguous. One trustee must be elected from each election
26 area by a majority of the qualified electors voting on the candidates
27 for any vacancy for that area as provided in subsection 7.

28 5. Before June 1 and immediately following the adoption of the
29 resolution creating election areas within a district, the clerk of
30 the board of county commissioners shall transmit a certified copy of
31 the resolution to the secretary of the district.

32 6. Upon the creation of election areas within a district, the
33 terms of office of all trustees then in office expire on the first
34 Monday of January thereafter next following a biennial election. At
35 the biennial election held following the creation of election areas
36 within a district, district trustees to represent the odd-numbered
37 election areas must be elected for terms of 4 years and district
38 trustees to represent the even-numbered election areas must be
39 elected for terms of 2 years. Thereafter, at each biennial election, the
40 offices of trustees must be filled for terms of 4 years in the order in
41 which the terms of office expire.

42 7. Candidates for election as a trustee representing any election
43 area must be elected only by those qualified electors of the district
44 residing in that area. No qualified elector may vote in more than one
45 election area at any one time.



8. A candidate for the office of trustee of a district in which election areas have been created must be a qualified elector of the district and must be a resident of the election area which he seeks to represent.

9. Election areas may be altered or abolished in the same manner as provided in this section for the creation of election areas and the election of trustees therefor.

Sec. 23. NRS 318.0953 is hereby amended to read as follows:
318.0953 *Except as otherwise provided in section 2 of this act:*

1. In every county whose population is 400,000 or more, the board of county commissioners is, and in counties whose population is less than 400,000 the board of county commissioners may be, ex officio, the board of trustees of each district organized or reorganized pursuant to this chapter and authorized to exercise the basic power of furnishing facilities for sewerage as provided in NRS 318.140, without regard to whether the district is also authorized to furnish facilities for storm drainage, but excluding any district which is authorized, in addition to those basic powers, to exercise any one or more other basic powers designated in this chapter, except as provided in subsections 2 and 4.

2. The board of county commissioners of any county may be, at its option, ex officio, the board of trustees of any district organized or reorganized pursuant to this chapter and authorized to exercise the basic power of furnishing facilities for water as provided in NRS 318.144, or, furnishing both facilities for water and facilities for sewerage as provided in NRS 318.144 and 318.140, respectively, without regard to whether the district is also authorized to furnish facilities for storm drainage, but excluding any district which:

(a) Is authorized, in addition to its basic powers, to exercise any one or more other basic powers designated in this chapter.

(b) Is organized or reorganized pursuant to this chapter, the boundaries of which include all or a portion of any incorporated city or all or a portion of a district for water created by special law.

3. In every county whose population is less than 100,000, the board of county commissioners may be, ex officio, the board of trustees of each district organized or reorganized pursuant to this chapter and authorized to exercise the basic power of furnishing emergency medical services as provided in NRS 318.1185, which district may overlap the territory of any district authorized to exercise any one or more other basic powers designated in this chapter.

4. A board of county commissioners may exercise the options provided in subsections 1, 2 and 3 by providing in the ordinance



1 creating the district or in an ordinance thereafter adopted at any time
2 that the board is, ex officio, the board of trustees of the district. The
3 board of county commissioners shall, in the former case, be the
4 board of trustees of the district when the ordinance creating
5 the district becomes effective, or in the latter case, become the board
6 of the district 30 days after the effective date of the ordinance
7 adopted after the creation of the district. In the latter case within the
8 30-day period the county clerk shall promptly cause a copy of the
9 ordinance to be:

10 (a) Filed in his office;

11 (b) Transmitted to the secretary of the district; and

12 (c) Filed in the Office of the Secretary of State without the
13 payment of any fee and otherwise in the same manner as articles of
14 incorporation are required to be filed under chapter 78 of NRS.

15 **Sec. 24.** NRS 318.0955 is hereby amended to read as follows:

16 318.0955 ~~[Members]~~ *Except as otherwise provided in section*
17 *3 of this act, members* of the board of trustees are subject to recall
18 from office pursuant to the provisions of the Constitution and
19 statutes of this State.

20 **Sec. 25.** NRS 318.098 is hereby amended to read as follows:

21 318.098 1. The board of trustees of any district may request,
22 in writing, assistance from any elected or appointed officer of the
23 county in which the district is located ~~[.]~~ *or, if the district was*
24 *created pursuant to section 2 of this act, the city within whose*
25 *sphere of influence the district is located.*

26 2. The officer shall furnish the requested assistance, after an
27 agreement has been reached concerning the amount of money which
28 the board of trustees shall pay for the assistance. The cost shall not
29 be more than the actual additional expense necessitated by the
30 request.

31 3. The board shall, by a resolution spread upon its minutes,
32 order payment made in the amount, in each case, which was agreed
33 upon by the board of trustees and the officer furnishing the
34 assistance.

35 **Sec. 26.** NRS 318.116 is hereby amended to read as follows:

36 318.116 Any one, all or any combination of the following basic
37 powers may be granted to a district in proceedings for its
38 organization, or its reorganization pursuant to NRS 318.077 and all
39 provisions in this chapter supplemental thereto, or as may be
40 otherwise provided by statute:

41 1. Furnishing electric light and power, as provided in
42 NRS 318.117;

43 2. Extermination and abatement of mosquitoes, flies, other
44 insects, rats, and liver fluke or Fasciola hepatica, as provided in
45 NRS 318.118;



3. Furnishing facilities or services for public cemeteries, as provided in NRS 318.119;

4. Furnishing facilities for swimming pools, as provided in NRS 318.1191;

5. Furnishing facilities for television, as provided in NRS 318.1192;

6. Furnishing facilities for FM radio, as provided in NRS 318.1187;

7. Furnishing streets and alleys, as provided in NRS 318.120;

8. Furnishing curbs, gutters and sidewalks, as provided in NRS 318.125;

9. Furnishing sidewalks, as provided in NRS 318.130;

10. Furnishing facilities for storm drainage or flood control, as provided in NRS 318.135;

11. Furnishing sanitary facilities for sewerage, as provided in NRS 318.140;

12. Furnishing facilities for lighting streets, as provided in NRS 318.141;

13. Furnishing facilities for the collection and disposal of garbage and refuse, as provided in NRS 318.142;

14. Furnishing recreational facilities, as provided in NRS 318.143;

15. Furnishing facilities for water, as provided in NRS 318.144;

16. Furnishing fencing, as provided in NRS 318.1195;

17. Furnishing facilities for protection from fire, as provided in NRS 318.1181;

18. Furnishing energy for space heating, as provided in NRS 318.1175;

19. Furnishing emergency medical services, as provided in NRS 318.1185;

20. Control and eradication of noxious weeds, as provided in chapter 555 of NRS; ~~and~~

21. Establishing, controlling, managing and operating an area or zone for the preservation of one or more species or subspecies of wildlife that has been declared endangered or threatened pursuant to the federal Endangered Species Act of 1973, 16 U.S.C. §§ 1531 et seq., as provided in NRS 318.1177 ~~and~~;

22. For a district created pursuant to section 2 of this act, furnishing police protection, as provided in section 7 of this act; and

23. For a district created pursuant to section 2 of this act, furnishing snow removal services, as provided in section 8 of this act.



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Sec. 27. NRS 318.143 is hereby amended to read as follows:

318.143 1. Subject to the provisions of subsection 2, the board may acquire, construct, reconstruct, improve, extend and better lands, works, systems and facilities for recreation.

2. ~~HH~~ *Except as otherwise provided in section 2 of this act, if* the proposed recreational facilities are situated within 7 miles from the boundary of an incorporated city or unincorporated town, and if the county in which the proposed recreational facilities are situated has adopted a recreation plan pursuant to NRS 278.010 to 278.630, inclusive, the authority conferred by subsection 1 may be exercised only in conformity with such plan.

3. Such recreational facilities may include without limitation exposition buildings, museums, skating rinks, other type rinks, fieldhouses, sports arenas, bowling alleys, swimming pools, stadiums, golf courses, tennis courts, squash courts, other courts, ball fields, other athletic fields, tracks, playgrounds, bowling greens, ball parks, public parks, promenades, beaches, marinas, levees, piers, docks, wharves, boat basins, boathouses, harborages, anchorages, gymnasiums, appurtenant shower, locker and other bathhouse facilities, amusement halls, dance halls, concert halls, theaters, auditoriums, aviaries, aquariums, zoological gardens, biological gardens and vivariums , ~~HH~~ or any combination thereof. ~~DD~~

Sec. 28. NRS 318.215 is hereby amended to read as follows:

318.215 1. When a district *other than a district created pursuant to section 2 of this act* abuts a city or town, the board shall have the power to convey to such city or town, at the discretion of the district and with the consent of the governing authority thereof, all of the property of such district upon the condition that such city or town:

(a) Will operate and maintain such property, regardless of whether the area comprising the district is annexed to the municipality; and

(b) May assume all of the indebtedness of such district upon such conditions as the county or town and the governing body of the district may agree.

2. Upon such conveyance and assumption of indebtedness the district shall be dissolved and a certificate to such effect shall be signed by the clerical officer of the city or town and filed with the Secretary of State and county clerk of any county in which the ordinance creating the district is filed.

Sec. 29. NRS 318.257 is hereby amended to read as follows:

318.257 *Except for a district created pursuant to section 2 of this act:*



1 1. A fee owner of real property situate in the district, or the fee
2 owners of any real properties which are contiguous to each other
3 and which constitute a portion of the district may file with the board
4 a petition praying that such lands be excluded and taken from the
5 district.

6 2. Petitions shall:

7 (a) Describe the property which the petitioners desire to have
8 excluded.

9 (b) State that the property is not capable of being served with
10 facilities of the district, or would not be benefited by remaining in
11 the district or by any future improvement it might make.

12 (c) Be acknowledged in the same manner and form as required
13 in case of a conveyance of land.

14 (d) Be accompanied by a deposit of money sufficient to pay all
15 costs of the exclusion proceedings.

16 3. The secretary of the board shall cause a notice of filing of
17 such petition to be published, which notice shall:

18 (a) State the filing of such petition.

19 (b) State the names of the petitioners.

20 (c) Describe the property mentioned in the petition.

21 (d) State the prayer of the petitioners.

22 (e) Notify all persons interested to appear at the office of the
23 board at the time named in the notice, showing cause in writing, if
24 any they have, why the petition should not be granted.

25 4. The board at the time and place mentioned in the notice, or
26 at the times to which the hearing of the petition may be adjourned,
27 shall proceed to hear the petition and all objections thereto,
28 presented in writing by any person showing cause why the prayer of
29 the petition should not be granted.

30 5. The filing of such petition shall be deemed and taken as an
31 assent by each and all such petitioners to the exclusion from the
32 district of the property mentioned in the petition, or any part thereof.

33 6. The board, if it deems it not for the best interest of the
34 district that the property mentioned in the petition, or portion
35 thereof, be excluded from the district, shall order that the petition be
36 denied in whole or in part, as the case may be.

37 7. If the board deems it for the best interest of the district that
38 the property mentioned in the petition, or some portion thereof be
39 excluded from the district, the board shall order that the petition be
40 granted in whole or in part, as the case may be.

41 8. There shall be no withdrawal from a petition after
42 consideration by the board nor shall further objection be filed except
43 in case of fraud or misrepresentation.



1 9. Upon allowance of such petition, the board shall file for
2 record a certified copy of its resolution making such change, as
3 provided in NRS 318.075 ~~or~~ *or section 2 of this act.*

4 **Sec. 30.** NRS 318.258 is hereby amended to read as follows:

5 318.258 The boundaries of a district may be enlarged by the
6 inclusion of additional real property therein in the following
7 manner:

8 1. The fee owner or owners of any real property capable of
9 being served with facilities of the district may file with the board a
10 petition in writing praying that such property be included in the
11 district.

12 2. The petition shall:

13 (a) Set forth an accurate legal description of the property owned
14 by the petitioners.

15 (b) State that assent to the inclusion of such property in the
16 district is given by the signers thereto, constituting all the fee
17 owners of such property.

18 (c) Be acknowledged in the same manner required for a
19 conveyance of land.

20 3. There shall be no withdrawal from a petition after
21 consideration by the board nor shall further objections be filed
22 except in case of fraud or misrepresentation.

23 4. The board shall hear the petition at an open meeting after
24 publishing the notice of the filing of such petition, and of the place,
25 time and date of such meeting, and the names and addresses of the
26 petitioners. The board shall grant or deny the petition and the action
27 of the board is final and conclusive. If the petition is granted as to all
28 or any of the real property therein described, the board shall make
29 an order to that effect, and file it for record as provided in NRS
30 318.075 ~~or~~ *or section 2 of this act.*

31 5. If the costs of extending the facilities of the district are paid
32 by the property owners of the area to be included within the district,
33 these property owners are entitled to receive any money charged and
34 collected by the district when additional property owners utilize the
35 facilities which were extended.

36 6. The board of trustees of the district shall pay to the property
37 owners pro rata shares of the money charged and collected.

38 7. After the date of its inclusion in such district, such property
39 is subject to all of the taxes and charges imposed by the district, and
40 is liable for its proportionate share of existing general obligation
41 bonded indebtedness of the district; but it is not liable for any taxes
42 or charges levied or assessed prior to its inclusion in the district, nor
43 shall its entry into the district be made subject to or contingent upon
44 the payment or assumption of any penalty, toll or charge, other than
45 any reasonable annexation charge which the board may fix and



1 uniformly assess and the tolls and charges which are uniformly
2 made, assessed or levied for the entire district. Such charges shall be
3 computed in such a manner as not to place a new charge against the
4 district members nor penalize the area annexed.

5 8. In any district within the region of any interstate compact
6 relating to planning, when any petition for the inclusion of property
7 into any district is denied, the petitioner may appeal the denial to the
8 board of county commissioners of the county in which such district
9 is located, which shall review such denial and may, in its discretion,
10 order that such property be included in the district.

11 9. The board of county commissioners of any county in which
12 a district is located may by ordinance require the district to include
13 additional real property within its boundaries if:

14 (a) The inclusion is required by a federal law or regulation
15 issued thereunder;

16 (b) The district can provide the services required by the owners
17 of the real property; and

18 (c) The owners of the real property pay the costs of providing
19 the facilities.

20 **Sec. 31.** NRS 318.490 is hereby amended to read as follows:

21 318.490 *Except as otherwise provided in section 5 of this act:*

22 1. Except as otherwise provided in NRS 318.492, whenever a
23 majority of the members of the board of county commissioners of
24 any county deem it to be in the best interests of the county and of
25 the district that the district be merged, consolidated or dissolved, or
26 if the board of trustees of a district, by resolution pursuant to
27 subsection 3, agrees to such a merger, consolidation or dissolution,
28 the board of county commissioners shall so determine by ordinance,
29 after there is first found, determined and recited in the ordinance
30 that:

31 (a) All outstanding indebtedness and bonds of all kinds of the
32 district have been paid or will be assumed by the resulting merged
33 or consolidated unit of government.

34 (b) The services of the district are no longer needed or can be
35 more effectively performed by an existing unit of government.

36 2. The county clerk shall thereupon certify a copy of the
37 ordinance to the board of trustees of the district and shall mail
38 written notice to all property owners within the district in his
39 county, containing the following:

40 (a) The adoption of the ordinance;

41 (b) The determination of the board of county commissioners that
42 the district should be dissolved, merged or consolidated; and

43 (c) The time and place for hearing on the dissolution, merger or
44 consolidation.



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3. If a majority of the members of the board of county commissioners of a county deems it to be in the best interests of the county and of a district that was, on October 1, 2005, exercising powers pursuant to NRS 318.140, 318.142 and 318.144, that the district be merged, consolidated or dissolved, the board of county commissioners shall submit the question of the merger, consolidation or dissolution to the board of trustees of the district. If the board of trustees of the district, by resolution, does not agree to the merger, consolidation or dissolution within 90 days after the question was submitted to it, the district may not be merged, consolidated or dissolved.

Sec. 32. NRS 318.492 is hereby amended to read as follows:

318.492 *Except as otherwise provided in section 5 of this act:*

1. If all the territory within a district organized pursuant to this chapter is included within the boundaries of a city incorporated under the provisions of chapter 266 of NRS, the board of county commissioners of the county shall, within 90 days after the filing of the notice required by NRS 266.033, adopt an ordinance providing for the merger of the district with the city and fixing a time and place for a hearing on the merger.

2. The county clerk shall certify a copy of the ordinance and give notice of its adoption in the manner provided by subsection 2 of NRS 318.490.

3. The board of county commissioners shall thereafter proceed to hear and determine the matter as provided in NRS 318.495 and 318.500.

Sec. 33. NRS 318.495 is hereby amended to read as follows:

318.495 *Except as otherwise provided in section 5 of this act:*

1. Any person who owns property which is located within the district may, on or before the date fixed, protest against the dissolution, merger or consolidation of such district, in writing, which protest shall be filed with the county clerk of such county.

2. If, at or before the time fixed by the ordinance and notice, written protest is filed signed by a majority of the owners of property within the district, the district shall not be dissolved, merged or consolidated. If any written protests are filed and the board of county commissioners determines that the protests so filed represent less than a majority of the owners of property within the district, the board may, if it so determines, complete the dissolution, merger or consolidation by the adoption of a final ordinance of dissolution, which ordinance shall contain a recital of the protests, and such recital is binding and conclusive for all purposes.

Sec. 34. NRS 318.500 is hereby amended to read as follows:

318.500 ~~[A]~~ *Except as otherwise provided in section 5 of this act, at* the place, date and hour specified for the hearing in the notice



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1 or at any subsequent time to which the hearing may be adjourned,
2 the board of county commissioners shall give full consideration to
3 all protests which may have been filed and shall hear all persons
4 desiring to be heard and shall thereafter adopt either the final
5 ordinance of dissolution, merger or consolidation or an ordinance
6 determining that it shall not be dissolved, merged or consolidated.

7 **Sec. 35.** NRS 318.505 is hereby amended to read as follows:

8 318.505 ~~[Within]~~ *Except as otherwise provided in section 5 of*
9 *this act, within* 30 days after the effective date of any ordinance
10 dissolving, merging or consolidating the district, the county clerk
11 shall file a copy of the ordinance in his office and shall cause to be
12 filed an additional copy of the ordinance in the Office of the
13 Secretary of State, which filings shall be without fee and be
14 otherwise in the same manner as articles of incorporation are
15 required to be filed under chapter 78 of NRS.

16 **Sec. 36.** NRS 318.508 is hereby amended to read as follows:

17 318.508 ~~[[~~ *Except as otherwise provided in section 5 of this*
18 *act, if* a final ordinance of dissolution is adopted pursuant to
19 NRS 318.492:

20 1. The merger of the district is effective on July 1 of the year
21 next following the date the incorporation of the city becomes
22 effective.

23 2. The city shall assume the obligations and functions of the
24 district.

25 3. Any outstanding and unpaid tax sale or levy and any special
26 assessment lien of the district is valid and remains a lien upon the
27 property against which it is assessed or levied until paid, subject to
28 the limitations of liens provided by general law. Any tax or special
29 assessment paid after the effective date of the merger must be placed
30 in the general fund of the city.

31 4. The city council of the city has the same power to enforce
32 the collection of any special assessment or outstanding tax sales of
33 the district as the district would have had if it had not been merged.

34 **Sec. 37.** NRS 318.510 is hereby amended to read as follows:

35 318.510 *Except as otherwise provided in section 5 of this act:*

36 1. All property and all funds remaining in the treasury of any
37 district must be:

38 (a) Surrendered and transferred to the county in which the
39 district exists and become a part of the general fund of the county, if
40 the district is dissolved;

41 (b) Transferred to the governmental unit which assumes its
42 obligations and functions, if the district is merged; or

43 (c) Transferred to the consolidated governmental unit, if the
44 district is consolidated.



2. All outstanding and unpaid tax sales and levies and all special assessment liens of a dissolved district are valid and remain a lien against the property against which they are assessed or levied until paid, subject to the limitations of liens provided by general law. Taxes and special assessments paid after dissolution must be placed in the general fund of the county in which the property was assessed.

3. Except as otherwise provided in NRS 318.508, the board of county commissioners has the same power to enforce the collection of all special assessments and outstanding tax sales of the district as the district had if it had not been dissolved, merged or consolidated.

4. If any area comprising the district or portion thereof is annexed to a city or town within 6 months from the effective date of the dissolution ordinance, a pro rata share of all such property and funds must be transferred to the municipality.

5. If any area comprising the district or portion thereof is not annexed to a city or town within 6 months from the effective date of the dissolution ordinance, the board of county commissioners shall pay to the owners of property located within the former district pro rata shares of the money remaining in the treasury of the district, and an amount of money equal to the value of any property which is not used for the benefit of the area formerly comprising the district. The board of county commissioners may, before paying such money, apply a proportionate amount of such payment to any special assessments which are due.

Sec. 38. NRS 318.515 is hereby amended to read as follows:

318.515 1. ~~Upon~~ *Except as otherwise provided in subsection 5, upon* notification by the Department of Taxation or upon receipt of a petition signed by 20 percent of the qualified electors of the district, that:

(a) A district of which the board of county commissioners is not the board of trustees is not being properly managed;

(b) The board of trustees of the district is not complying with the provisions of this chapter or with any other law; or

(c) The service plan established for the district is not being complied with,

↳ the board of county commissioners of the county in which the district is located shall hold a hearing to consider the notification or petition.

2. The county clerk shall mail written notice to all persons who own property within the district and to all qualified electors of the district, which notice shall set forth the substance of the notification or petition and the time and place of the hearing.

3. At the place, date and hour specified for the hearing, or at any subsequent time to which the hearing may be adjourned, the



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board of county commissioners shall give full consideration to all persons desiring to be heard and shall thereafter:

(a) Adopt an ordinance constituting the board of county commissioners, ex officio, as the board of trustees of the district;

(b) Adopt an ordinance providing for the merger, consolidation or dissolution of the district pursuant to NRS 318.490 to 318.510, inclusive ~~(f)~~, *or section 5 of this act*;

(c) File a petition in the district court for the county in which the district is located for the appointment of a receiver for the district; or

(d) Determine by resolution that management and organization of the district will remain unchanged.

4. The Department of Taxation or any interested person may, within 30 days immediately following the effective date of the ordinance adopted under paragraph (a) or resolution adopted under paragraph (d) of subsection 3, commence an action in any court of competent jurisdiction to set aside the ordinance or resolution. After the expiration of 30 days, all actions attacking the regularity, validity and correctness of that ordinance or resolution are barred.

5. The governing body of a city shall carry out the provisions of this section with respect to a district created pursuant to section 2 of this act within the sphere of influence of the city.

Sec. 39. NRS 244.188 is hereby amended to read as follows:

244.188 1. Except as otherwise provided in subsection 3 and NRS 269.128 and 269.129, a board of county commissioners may, outside the boundaries of incorporated cities and general improvement districts:

(a) Provide those services set forth in NRS 244.187 on an exclusive basis or, by ordinance, adopt a regulatory scheme for controlling the provision of those services or controlling development in those areas on an exclusive basis; or

(b) Grant an exclusive franchise to any person to provide those services.

2. If services for the collection and disposal of garbage are provided pursuant to subsection 1, the board of county commissioners may, except as otherwise provided in subsection 3, require owners of real property outside the boundaries of incorporated cities and general improvement districts to receive and pay for those services.

3. The board of county commissioners may exercise the authority provided in subsections 1 and 2 within the boundaries of a general improvement district if that district:

(a) Is not authorized to provide those services; and

(b) ~~(Includes)~~ *Except as otherwise provided in section 2 of this act, includes* any real property within 7 miles from the boundary of an incorporated city.



4. If an exclusive franchise is granted or a regulatory scheme is adopted for the mandatory collection and disposal of garbage and other waste, the initial boundaries of the collection area must be the same as the boundaries of an existing collection area under an exclusive franchise or regulatory scheme.

5. The board of county commissioners may expand the boundaries of a collection area established pursuant to subsection 4 after the board has:

(a) Conducted preliminary studies and determined that the proposed collection area is economically sound and feasible and promotes the health, safety and general welfare of the inhabitants of the county; and

(b) Held a public hearing on the proposed collection area after giving notice of the time and the place of the hearing in a newspaper of general circulation in that county. The notice must include the purpose of the hearing and describe the boundaries of the proposed collection area.

Sec. 40. NRS 266.043 is hereby amended to read as follows:

266.043 1. During the period from the filing of the notice of the results of the election by the county clerk pursuant to NRS 266.033 until the date the incorporation of the city becomes effective, the county is entitled to receive the taxes and other revenue from the incorporated city and shall continue to provide services to the city.

2. Except as otherwise provided in NRS 318.492 ~~§~~ *or section 5 of this act*, all special districts, except fire protection districts, located within the boundaries of an incorporated city continue to exist within that city after the incorporation becomes effective.

