

SENATE BILL NO. 234—COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF THE CITY OF LAS VEGAS)

MARCH 7, 2007

Referred to Committee on Government Affairs

SUMMARY—Provides exception to competitive bidding procedures for certain contracts relating to redevelopment areas. (BDR 28-490)

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 public works; exempting contracts for certain projects within redevelopment areas from procedures for competitive bidding; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law requires that contracts for public works projects be awarded
2 through procedures for competitive bidding. (NRS 338.1373-338.148) Existing law
3 authorizes public bodies to redevelop blighted areas. (Chapter 279 of NRS) This
4 bill exempts contracts for certain projects from procedures for competitive bidding.
5 The projects exempted are those: (1) that are within a redevelopment area; (2) that a
6 legislative body has determined, at a public hearing, benefit a redevelopment area
7 or mitigate any adverse effect upon the redevelopment area that is caused by a
8 redevelopment project; (3) which would otherwise be considered public works; and
9 (4) for which the developer will receive a monetary contribution or refund from a
10 public body as reimbursement for a portion of the costs of the project. This bill also
11 provides that such contracts are subject to the prevailing wage requirements of
12 chapter 338 of NRS if the contract does not make the developer responsible for
13 paying all of the initial construction costs of the project.



* S B 2 3 4 *

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

Section 1. Chapter 338 of NRS is hereby amended by adding thereto a new section to read as follows:

The provisions of chapter 332 of NRS, NRS 338.1373 to 338.148, inclusive, and chapter 339 of NRS do not apply to a contract under which a private developer constructs a project as described in section 3 of this act.

Sec. 2. NRS 338.050 is hereby amended to read as follows:

338.050 For the purpose of NRS 338.010 to 338.090, inclusive, *and section 1 of this act*, except as otherwise provided by specific statute, every workman who performs work for a public work covered by a contract therefor is subject to all of the provisions of NRS 338.010 to 338.090, inclusive, *and section 1 of this act*, regardless of any contractual relationship alleged to exist between such workman and his employer.

Sec. 3. Chapter 279 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The provisions of chapter 332 of NRS, NRS 338.1373 to 338.148, inclusive, and chapter 339 of NRS do not apply to a contract for a project:

(a) That is within a redevelopment area;

(b) That a legislative body has determined, at a public hearing, directly benefits a redevelopment area or mitigates any adverse effect upon a redevelopment area that is caused by a redevelopment project;

(c) Which would otherwise qualify as a public work pursuant to NRS 338.010; and

(d) For which the developer will receive a monetary contribution or refund from a public body as reimbursement for a portion of the costs of the project.

2. If, pursuant to the provisions of such a contract, the developer is not responsible for paying all of the initial construction costs of the project, the provisions of NRS 338.013 to 338.090, inclusive, apply to the contract.

Sec. 4. NRS 279.382 is hereby amended to read as follows:

279.382 The provisions contained in NRS 279.382 to 279.685, inclusive, *and section 3 of this act* may be cited as the Community Redevelopment Law.

Sec. 5. NRS 279.384 is hereby amended to read as follows:

279.384 As used in NRS 279.382 to 279.685, inclusive, *and section 3 of this act*, unless the context otherwise requires, the words and terms defined in NRS 279.386 to 279.414, inclusive, have the meanings ascribed to them in those sections.



1 **Sec. 6.** NRS 279.498 is hereby amended to read as follows:
2 279.498 ~~[Any]~~ *Except as otherwise provided in section 3 of*
3 *this act, any* work of grading, clearing, demolition or construction
4 in excess of \$10,000 undertaken by the agency must be done by
5 contract after competitive bids.

6 **Sec. 7.** NRS 279.500 is hereby amended to read as follows:
7 279.500 1. The provisions of NRS 338.010 to 338.090,
8 inclusive, *and section 1 of this act* apply to any contract for new
9 construction, repair or reconstruction which is awarded on or after
10 October 1, 1991, by an agency for work to be done in a
11 *redevelopment* project.

12 2. If an agency provides property for development at less than
13 the fair market value of the property, or provides financial
14 incentives to the developer with a value of more than \$100,000, the
15 agency must provide in the agreement with the developer that the
16 development project is subject to the provisions of NRS 338.010 to
17 338.090, inclusive, *and section 1 of this act* to the same extent as if
18 the agency had awarded the contract for the *redevelopment* project.
19 This subsection applies only to the *redevelopment* project covered
20 by the agreement between the agency and the developer. This
21 subsection does not apply to future development of the property
22 unless additional financial incentives with a value of more than
23 \$100,000 are provided to the developer.

24 **Sec. 8.** This act becomes effective upon passage and approval.

