

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 public improvement projects from procedures for
5 competitive bidding. The projects exempted are those: (1) constructed within a
6 redevelopment area by a private developer for the benefit of a private development
7 that consists of one or more buildings for which the estimated cost is \$20 million or
8 more; (2) that a legislative body has determined, at a public hearing, directly benefit
9 a redevelopment area promote efficiency, coordination and economy in design and
10 construction and mitigate any adverse effect upon the redevelopment area that is
11 caused by the private development; (3) which would otherwise be considered
12 public works; and (4) for which the developer will receive a monetary contribution
13 or refund from a public body as reimbursement for a portion of the costs of the
14 project. This bill also provides that such contracts are subject to the prevailing wage
15 requirements of chapter 338 of NRS.



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 public improvement 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 public improvement project:

(a) That is constructed within a redevelopment area by a private developer for the benefit of a private development that consists of one or more buildings for which the estimated cost is \$20,000,000 or more;

(b) That a legislative body has determined, at a public hearing:

(1) Directly benefits a redevelopment area;

(2) Promotes efficiency, coordination and economy in design and construction; and

(3) Mitigates any adverse effect upon a redevelopment area that is caused by the private development, including, without limitation, disruption caused by construction activity;

(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. The provisions of NRS 338.013 to 338.090, inclusive, apply to a contract described in subsection 1.



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1 **3. As used in this section, “public improvement project”**
2 **means any street, alley, curb, gutter, sidewalk, median, street**
3 **lighting, traffic control equipment and signage, water system,**
4 **sewerage system, drainage system, fire hydrant, utility facility or**
5 **landscaping that will be owned by a public body.**

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

7 279.382 The provisions contained in NRS 279.382 to 279.685,
8 inclusive, **and section 3 of this act** may be cited as the Community
9 Redevelopment Law.

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

11 279.384 As used in NRS 279.382 to 279.685, inclusive, **and**
12 **section 3 of this act**, unless the context otherwise requires, the
13 words and terms defined in NRS 279.386 to 279.414, inclusive,
14 have the meanings ascribed to them in those sections.

15 **Sec. 6.** NRS 279.498 is hereby amended to read as follows:

16 279.498 ~~[Any]~~ **Except as otherwise provided in section 3 of**
17 **this act, any** work of grading, clearing, demolition or construction
18 in excess of \$10,000 undertaken by the agency must be done by
19 contract after competitive bids.

20 **Sec. 7.** NRS 279.500 is hereby amended to read as follows:

21 279.500 1. The provisions of NRS 338.010 to 338.090,
22 inclusive, **and section 1 of this act** apply to any contract for new
23 construction, repair or reconstruction which is awarded on or after
24 October 1, 1991, by an agency for work to be done in a
25 **redevelopment** project.

26 2. If an agency provides property for development at less than
27 the fair market value of the property, or provides financial
28 incentives to the developer with a value of more than \$100,000, the
29 agency must provide in the agreement with the developer that the
30 development project is subject to the provisions of NRS 338.010 to
31 338.090, inclusive, **and section 1 of this act** to the same extent as if
32 the agency had awarded the contract for the **redevelopment** project.
33 This subsection applies only to the **redevelopment** project covered
34 by the agreement between the agency and the developer. This
35 subsection does not apply to future development of the property
36 unless additional financial incentives with a value of more than
37 \$100,000 are provided to the developer.

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

