

SENATE BILL NO. 487—COMMITTEE ON NATURAL RESOURCES

(ON BEHALF OF THE LEGISLATIVE COMMISSION'S SUBCOMMITTEE
TO STUDY THE FEASIBILITY AND ADVISABILITY OF CONSOLIDATING
WATER-RELATED SERVICES IN WASHOE COUNTY)

MARCH 26, 2007

Referred to Committee on Natural Resources

SUMMARY—Revises provisions relating to water resources in
certain counties. (BDR 48-183)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
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 water; providing for the regional acquisition,
development, management and conservation of water
resources in certain portions of Washoe County; creating
the Northern Nevada Water Authority; setting forth the
powers and duties of the Authority; creating the Northern
Nevada Water Planning Commission to advise and assist
the Authority; repealing provisions relating to regional
planning and management of water in certain counties;
and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing general law provides for regional planning and management of water
by a water planning commission in counties whose population is 100,000 or more
but less than 400,000 (currently Washoe County). Under that general law, a board
of county commissioners is required to adopt a comprehensive plan for the supply
of municipal and industrial water, quality of water, sanitary sewerage, treatment of
sewage, drainage of storm water and control of floods and is required to take action
by a two-thirds majority. This general law also provides for a water planning
commission, which reports to and advises the board of county commissioners
concerning issues relating to water resources. (NRS 540A.010-540A.310)

This bill repeals that general law and creates by special legislation a new
structure for regional planning and management of water resources in certain
portions of Washoe County based on the unique conditions and circumstances
existing in those areas. Under the Nevada Constitution, the Legislature may pass a
special or local law if the subject matter of the law does not fall within one of



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certain enumerated categories and a general law cannot be made applicable because of special circumstances and conditions. (Nev. Const. Art. 4, §§ 20, 21) **Section 5** of this bill specifies the unique conditions and circumstances in these portions of Washoe County that justify special legislation for the purpose of regional planning and management of water resources.

Sections 23 and 24-28 of this bill create the Northern Nevada Water Authority, which is governed by a Board of Trustees consisting of representatives of Washoe County, the cities of Reno and Sparks and various public entities that provide services relating to water and wastewater in Washoe County. **Sections 37-42** of this bill create the Northern Nevada Water Planning Commission, which reports to and advises the Board of Trustees of the Authority.

In lieu of creating the Northern Nevada Water Authority pursuant to **section 23** of this bill, **section 23.5** of this bill authorizes the City of Reno, City of Sparks, Washoe County, Sun Valley General Improvement District and Truckee Meadows Water Authority to create the Northern Nevada Water Authority by cooperative agreement. The cooperative agreement must be entered into and become effective before January 1, 2008.

Sections 35-53 of this bill require the development and adoption of a comprehensive plan for the area over which the Authority has jurisdiction, which must address the supply of municipal and industrial water, quality of water, sanitary sewerage, treatment of sewage, drainage of storm water and control of floods. **Sections 29-36 and 54-57** of this bill authorize the Board of Trustees to: (1) subject to certain exceptions, acquire and dispose of, in any manner, water rights, water supplies and related facilities; (2) schedule the delivery of water supplies held by certain water purveyors before January 1, 2008; (3) establish service territories of those purveyors for new water service provided on and after January 1, 2008; (4) establish, charge and collect various fees for services relating to the provision of water supplies; (5) provide for water conservation by various means; (6) subject to certain exceptions, exercise the power of eminent domain as necessary to acquire private property; and (7) issue bonds and other obligations.

Section 61 of this bill creates a temporary statutory legislative committee to oversee the programs and activities of the Authority.

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

Section 1. NRS 533.550 is hereby amended to read as follows:

533.550 1. Notwithstanding any other provision of law, a public body shall not sell or lease for a term of more than 5 years a water right owned by the public body unless the public body, after holding at least one public hearing at which public comment was solicited, has issued written findings that:

(a) The sale or lease of the water right is consistent with the prudent, long-term management of the water resources within the jurisdiction of the public body;

(b) The sale or lease of the water right will not deprive residents and businesses within the jurisdiction of the public body of reasonable access to water resources for growth and development;

(c) The sale or lease of the water right is a reasonable means of promoting development and use of the water right; and



(d) The means by which the water right is sold or leased reasonably ensures that the public body will receive the actual value of the water right or comparable economic benefits.

2. As used in this section, "public body" means the State or a county, city, town, school district or any public agency of this State or its political subdivisions. The term does not include a water district organized pursuant to a special act of the Legislature or a water authority organized as a political subdivision created by a cooperative agreement ~~H~~ *or created by a special act of the Legislature.*

Sec. 2. NRS 540A.010 is hereby amended to read as follows:
540A.010 As used in this chapter, unless the context otherwise requires:

1. "Board" means the board of county commissioners.

2. ~~"Commission" means the water planning commission created by NRS 540A.080.~~

~~3. "Comprehensive plan" or "plan" means the plan developed pursuant to NRS 540A.130.~~

~~4.~~ "Division" means the Division of Environmental Protection of the State Department of Conservation and Natural Resources.

Sec. 3. Sections 3 to 58, inclusive, of this Act may be cited as the Northern Nevada Water Authority Act.

Sec. 4. 1. The Legislature hereby finds that:

(a) The provisions of section 22 of this Act describe a hydrologically unique area which is distinguished by the presence of Lake Tahoe and the Truckee River, a water system which is governed by a unique combination of state and federal law, by federal decree and by the Truckee River Operating Agreement; and

(b) The unique hydrological conditions of the area described in section 22 of this Act and the complex legal framework governing the use of water within that area are special circumstances and conditions to which a general law cannot be made applicable and necessitate this special Act which provides for a special structure for the coordinated planning and management of water resources in that area.

2. It is hereby declared as a matter of legislative determination that:

(a) The organization of the Northern Nevada Water Authority having the purposes, powers, rights, privileges and immunities provided in this Act will serve a public use and will promote the general welfare by facilitating unified and cooperative efforts to secure and develop additional water supplies, maintain and cooperatively establish policies for managing existing water resources and water supplies, provide for integrated regional water resources and management of water supplies, provide for integration



1 of efforts to manage storm water, provide for protection of
2 watersheds and provide for regional conservation efforts, subject to
3 and in accordance with the Truckee River Operating Agreement.

4 (b) The acquisition, development, management and conservation
5 of regional water supplies and any associated facilities by the
6 Authority is for a public and governmental purpose and a matter of
7 public necessity.

8 (c) The geographical boundaries of the Authority are within the
9 area described in section 22 of this Act.

10 (d) The Authority shall, in carrying out the provisions of this
11 Act:

12 (1) Make full use of any available resources for
13 sustainability, economic viability and maintenance of environmental
14 values;

15 (2) Provide for a centralized system of decision making;

16 (3) Assign service territories using a procedure based upon
17 available resources;

18 (4) Communicate the decisions and policies of the Authority
19 in an effective manner;

20 (5) Facilitate the effective coordination of land use and
21 resource planning;

22 (6) Facilitate the effective and efficient planning,
23 management and operation of facilities; and

24 (7) Provide for the effective stewardship of water resources,
25 including, without limitation, ensuring the quantity and quality of
26 surface water and groundwater and the control point and nonpoint
27 sources of pollution.

28 (e) For the accomplishment of the purposes stated in this
29 subsection, the provisions of this Act shall be broadly construed.

30 **Sec. 5.** As used in this Act, unless the context otherwise
31 requires, the words and terms defined in sections 6 to 21, inclusive,
32 of this Act have the meanings ascribed to them in those sections.

33 **Sec. 6.** "Authority" means the Northern Nevada Water
34 Authority created pursuant to section 23 of this Act.

35 **Sec. 7.** "Board of Trustees" or "Board" means the Board of
36 Trustees of the Authority.

37 **Sec. 8.** "City of Reno" means the municipal corporation in
38 Washoe County, Nevada, created and existing pursuant to the
39 provisions of chapter 662, Statutes of Nevada 1971, as amended.

40 **Sec. 9.** "City of Sparks" means the municipal corporation in
41 Washoe County, Nevada, created and existing pursuant to the
42 provisions of chapter 470, Statutes of Nevada 1975, as amended.

43 **Sec. 10.** "Commission" means the Northern Nevada Water
44 Planning Commission created pursuant to section 37 of this Act.



1 **Sec. 11.** “Comprehensive Plan” means the plan developed
2 pursuant to sections 35 to 53, inclusive, of this Act.

3 **Sec. 12.** “Division” means the Division of Environmental
4 Protection of the State Department of Conservation and Natural
5 Resources.

6 **Sec. 13.** “Facilities” means any facility necessary for the
7 beneficial use of water supplies, including, without limitation, any
8 diversion, dam, reservoir, other water storage facility for the water
9 supplies, water conveyance, well, pump, treatment facility, storage
10 tank, pipe, turnout and any other facility required to provide water
11 services to the wholesale customers of the Authority or to provide
12 for the conservation of water or enhanced control of floods.

13 **Sec. 14.** “Planning area” means the area described in section
14 22 of this Act.

15 **Sec. 15.** “Public purveyor” means:

- 16 1. The Truckee Meadows Water Authority, or its successor;
- 17 2. The Washoe County Department of Water Resources, or its
18 successor;
- 19 3. The South Truckee Meadows General Improvement District,
20 or its successor;
- 21 4. The Sun Valley General Improvement District, or its
22 successor; or
- 23 5. Any other governmental entity engaged in the retail delivery
24 of potable water in the planning area.

25 **Sec. 16.** “Truckee Meadows Water Authority” means the
26 political subdivision of the State of Nevada created by a cooperative
27 agreement effective December 4, 2000, pursuant to the provisions of
28 NRS 277.080 to 277.180, inclusive.

29 **Sec. 17.** “Truckee River Operating Agreement” means all
30 agreements relating to the implementation of Public Law 101-618,
31 104 Stat. 3324, as amended, including, without limitation, the
32 Operating Agreement referenced in section 205(a) of Public Law
33 101-618, 104 Stat. 3324, as amended, whether entered into before,
34 on or after January 1, 2008, to which the Truckee Meadows Water
35 Authority, its predecessor or its successor, if any, is a party.

36 **Sec. 18.** “Washoe County” means the county created by and
37 described in NRS 243.340.

38 **Sec. 19.** “Water Quality Settlement Agreement” means the
39 Agreement entered into on October 10, 1996, by the City of Reno,
40 the City of Sparks, Washoe County, the United States Department
41 of the Interior, the United States Department of Justice, the United
42 States Environmental Protection Agency, the Division and the
43 Pyramid Lake Paiute Tribe, and any agreements entered into to
44 implement that Agreement including, without limitation, any
45 applicable provisions of the Truckee River Operating Agreement.



1 **Sec. 20.** “Water right” means any entitlement to the beneficial
2 use of surface water or groundwater supplies, including, without
3 limitation, an entitlement that exists by contract, by interest in real
4 property, by decree or by rights granted or recognized by the State
5 of Nevada, the State of California or any other governmental
6 agency.

7 **Sec. 21.** “Water supplies” means surface water, groundwater,
8 wastewater or effluent capable of being put to beneficial use.

9 **Sec. 22.** 1. The planning area in which water is to be
10 managed and conserved, for which water is to be acquired and
11 developed and with respect to which plans for its use are to be
12 made, pursuant to this Act, is the entire area within the boundaries
13 of Washoe County except:

14 (a) Any land within the region defined by NRS 277.200, the
15 Tahoe Regional Planning Compact;

16 (b) Land located within any Indian reservation or Indian colony
17 which is held in trust by the United States;

18 (c) Land located within the Gerlach General Improvement
19 District or its successor created pursuant to chapter 318 of NRS;

20 (d) Land located within the following administrative
21 groundwater basins established by the United States Geological
22 Survey and the Division of Water Resources of the State
23 Department of Conservation and Natural Resources:

24 (1) Basin 22 (San Emidio Desert);

25 (2) Basin 23 (Granite Basin); and

26 (3) Basin 24 (Hualapai Flat); and

27 (e) Any land excluded by the Board pursuant to subsection 2
28 and not otherwise included pursuant to subsection 3.

29 2. The Board may exclude from the planning area any land
30 which it determines is unsuitable for inclusion because of its
31 remoteness from the water supplies acquired, developed, managed
32 and conserved pursuant to this Act or because it lies within a
33 separate hydrologic basin neither affecting nor affected by
34 conditions within the remainder of the planning area.

35 3. The Board may include within the planning area any land
36 otherwise excluded pursuant to subsection 2 if it finds that the land
37 requires alleviation of the effect of flooding or drainage of storm
38 waters or requires another benefit from planning or management
39 performed in the planning area.

40 **Sec. 23.** 1. The Northern Nevada Water Authority is hereby
41 created. The Authority is a body corporate and politic and a
42 municipal corporation.

43 2. The property and revenues of the Authority, any interest of
44 any creditor therein and any possessory interest in or right to use



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1 that property which the Authority may grant are exempt from all
2 state, county and municipal taxation.

3 **Sec. 23.5.** The City of Reno, City of Sparks, Washoe County,
4 Sun Valley General Improvement District and Truckee Meadows
5 Water Authority may create the Northern Nevada Water Authority
6 as a joint powers authority by cooperative agreement entered into
7 pursuant to NRS 277.080 to 277.180, inclusive. The South Truckee
8 Meadows General Improvement District may participate in the
9 establishment of the cooperative agreement but is not a mandatory
10 party. If the cooperative agreement is entered into and becomes
11 effective before January 1, 2008:

12 1. The Authority created by the cooperative agreement shall be
13 deemed to have been created by operation of law pursuant to section
14 23 of this Act and shall be deemed to be the Authority for purposes
15 of this Act; and

16 2. The Board of Trustees or similar board created by the
17 cooperative agreement shall be deemed to be the Board of Trustees
18 of the Authority for the purposes of this Act.

19 **Sec. 24.** 1. The Authority must be directed and governed by
20 a Board of Trustees composed of the following nine members
21 appointed pursuant to this section:

22 (a) Two members of the City Council of the City of Reno;

23 (b) Two members of the City Council of the City of Sparks;

24 (c) Two members of the Board of County Commissioners of
25 Washoe County;

26 (d) One member representing the Truckee Meadows Water
27 Reclamation Facility or its successor;

28 (e) One member designated by the Board of Trustees of the
29 South Truckee Meadows General Improvement District or its
30 successor; and

31 (f) One member of the Board of Trustees of the Sun Valley
32 General Improvement District or its successor.

33 2. The City Council of the City of Reno, the City Council of
34 the City of Sparks and the Board of County Commissioners of
35 Washoe County shall each appoint one trustee from their
36 membership for an initial term of 2 years.

37 3. The Board of Directors of the Truckee Meadows Water
38 Authority or its successor shall appoint from its membership, for
39 initial terms of 3 years:

40 (a) One trustee who is a member of the City Council of the City
41 of Reno;

42 (b) One trustee who is a member of the City Council of the City
43 of Sparks; and

44 (c) One trustee who is a member of the Board of County
45 Commissioners of Washoe County.



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1 ↪ The trustees appointed pursuant to this subsection must be
2 different persons than those appointed pursuant to subsection 2.

3 4. The Board of Trustees of the Sun Valley General
4 Improvement District or its successor and the Board of Trustees of
5 the South Truckee Meadows General Improvement District or its
6 successor shall each appoint one trustee from its membership for an
7 initial term of 3 years.

8 5. The owners of the Truckee Meadows Water Reclamation
9 Facility or its successor shall jointly appoint one trustee for an initial
10 term of 2 years.

11 6. Except as otherwise provided in subsection 7, after the initial
12 terms, each trustee who is appointed to the Board serves for a term
13 of 2 years. A trustee may be reappointed.

14 7. All trustees must be elected officials. No trustee may serve
15 beyond his or her term of office.

16 8. The position of a trustee must be considered vacated upon
17 his loss of any of the qualifications required for his appointment,
18 and in such event the appointing authority shall appoint a successor
19 to fill the remainder of the unexpired term.

20 **Sec. 25.** Each member of the Board shall file with the County
21 Clerk of Washoe County:

22 1. His oath of office.

23 2. A corporate surety bond furnished at the Authority's
24 expense, in an amount not to exceed \$5,000, and conditioned for the
25 faithful performance of his duties as a member of the Board.

26 **Sec. 26.** 1. The Board shall elect one of its members as
27 Chairman and one of its members as Vice Chairman, and shall elect
28 a Secretary and a Treasurer, who may be members of the Board.
29 The Secretary and the Treasurer may be the same person. The terms
30 of the officers expire on December 31 of each year.

31 2. The Secretary shall keep audio recordings or transcripts of
32 all meetings of the Board and, in a well-bound book, a record of all
33 of the proceedings of the Board, minutes of all meetings,
34 certificates, contracts, bonds given by employees, and all other acts
35 of the Board. Except as otherwise provided in NRS 241.035, the
36 minute book, audio recordings, transcripts and records must be open
37 to the inspection of all interested persons, at all reasonable times and
38 places.

39 3. The Treasurer shall keep, in permanent records, strict and
40 accurate accounts of all money received by and disbursed for and on
41 behalf of the Board and the Authority.

42 **Sec. 27.** 1. The Board shall meet regularly at a time and in a
43 place to be designated by the Board. The Board shall provide for the
44 calling of a special meeting when action is required before a regular
45 meeting would occur.



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2. Except as otherwise provided in this subsection and subsection 3, a majority of the members of the Board constitutes a quorum at any meeting. Each motion and resolution of the Board must be adopted by at least a majority of the members present at such meeting.

3. If a public purveyor elects not to receive the benefits of a regional capital improvement project provided for pursuant to section 29 of this Act, any member representing the public purveyor on the Board must be excluded from the quorum of the Board for purposes of voting on matters concerning the project.

Sec. 28. The Authority is a public employer within the meaning of NRS 286.070, and the provisions of chapter 286 of NRS apply to the Authority and its employees.

Sec. 29. The Authority may do all things necessary to accomplish the purposes of this Act. The Authority has perpetual succession and, except as otherwise provided in sections 30, 32 and 34 of this Act, has the following powers to:

1. Sue and be sued.

2. Acquire, appropriate, perfect, possess, use, lease, sell, exchange, encumber and dispose of any interest in water rights and water supplies and any real or personal property or interest therein, within or without the State of Nevada, for any of the purposes provided in this section.

3. Acquire, finance, construct, operate, maintain and replace facilities and to dispose of such facilities.

4. Develop and implement projects with respect to the acquisition, development, treatment, scheduling of delivery, storage, transportation and conservation of water supplies.

5. Acquire an interest of any nature in, and to finance, construct, operate, maintain, replace, acquire and construct additions and improvements to, any facilities necessary or convenient for the acquisition, development, conveyance, treatment, management and conservation of water supplies, and to dispose of such facilities.

6. Enter into agreements with Washoe County, the cities of Reno and Sparks, and any public purveyor:

(a) To acquire, by lease, gift, purchase or otherwise, or to manage or cooperatively administer any water supplies, water rights or regional water conveyance and treatment facilities of such entity; and

(b) For the wholesale delivery of water.

7. Prepare, adopt, update and oversee the implementation of the Comprehensive Plan pursuant to sections 35 to 53, inclusive, of this Act.

8. Establish a mechanism for scheduling the delivery of water supplies held by public purveyors to maximize the yield of regional



1 water supplies and facilitate the cooperative administration of
2 regional water conveyance and treatment facilities for the benefit of
3 the public purveyors.

4 9. Designate the service territories of public purveyors for
5 customers seeking water service on and after January 1, 2008,
6 pursuant to section 31 of this Act.

7 10. Establish and charge rates, tolls, rental fees, hookup fees,
8 impact fees, connection charges, commodity charges, fees for a
9 commitment by a public purveyor to provide water supplies held by
10 the Authority to a person, and other fees or charges on users of
11 water supplies held by the Authority, and collect revenues from the
12 use of water supplies of the Authority, and enter into agreements
13 with wholesale customers for the payment of fees, rates and other
14 charges.

15 11. Prepare, adopt, update and oversee the implementation of a
16 water conservation plan for the use of municipal, industrial and
17 domestic water supplies within the planning area, and enter into
18 water conservation agreements with water purveyors and local
19 governmental entities.

20 12. Study and recommend to the Board of County
21 Commissioners of Washoe County, the City Council of the City of
22 Reno and the City Council of the City of Sparks ordinances for the
23 implementation of a water conservation plan adopted pursuant to
24 subsection 11 and the Comprehensive Plan.

25 13. Deliver or contract with other parties to deliver available
26 water supplies to public purveyors on a wholesale basis.

27 14. Prepare, update and implement plans for capital
28 improvements of the Authority.

29 15. Assess public purveyors directly for any costs, including,
30 without limitation, administrative costs, arising from regional capital
31 improvement projects related to the acquisition and delivery of
32 water supplies. If a public purveyor elects not to receive the benefits
33 of such a regional capital improvement project, any assessment for
34 the project must not be imposed against the public purveyor for that
35 project. If a public purveyor that elected not to participate in a
36 capital improvement project receives direct benefits from that
37 project, the Board may assess the public purveyor for those benefits.

38 16. Contract with public purveyors or any other public entity
39 for the provision of services to or by the Authority and, in the
40 performance of its functions, use the officers, agents, employees,
41 services, facilities, records and equipment of any public purveyor,
42 Washoe County, the City of Reno or the City of Sparks, with the
43 consent of the respective public purveyor or governmental entity,
44 and subject to such terms and conditions as may be agreed upon.



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1 17. Employ or contract with such persons as it deems
2 necessary and hire and retain officers, agents and employees,
3 including fiscal advisers, engineers, attorneys or other professional
4 or specialized personnel.

5 18. Sell, lease or otherwise dispose of any real property in such
6 manner and upon such terms and conditions as the Board deems
7 proper and in the best interests of the Authority consistent with
8 applicable law.

9 19. Exercise the power of eminent domain in the manner
10 provided by law for the condemnation of private property for public
11 use to take any private property within the planning area necessary
12 to the exercise of its powers, except that the power of eminent
13 domain may not be used to take:

14 (a) Any water right; or

15 (b) Any property of a public purveyor without the consent of
16 that public purveyor.

17 20. Apply directly to the proper federal, state, county and
18 municipal officials and agencies or to any other source, public or
19 private, for loans, grants, guarantees or seek other financial
20 assistance in aid of acquiring, developing, delivering or managing
21 water supplies and associated facilities owned, operated or managed
22 by the Authority or which the Authority determines is necessary or
23 convenient for the exercise of any of its powers, and accept the
24 same.

25 21. Participate with relevant agencies of the United States, the
26 State of Nevada and other entities on issues concerning the supply
27 of water.

28 22. Issue revenue and other bonds, notes, and other obligations
29 and incur liability for the purposes and in accordance with the
30 procedure and requirements set forth in this Act, NRS 350.087 to
31 350.093, inclusive, 350.350 to 350.490, inclusive, and 377B.010 to
32 377B.210, inclusive, and as otherwise permitted by law.

33 23. Adopt such rules and regulations for the conduct of the
34 affairs of the Authority or of the Board as the Board may deem
35 necessary or desirable.

36 24. Perform such other functions conferred on the Authority in
37 this Act.

38 **Sec. 30.** Except as otherwise authorized by the Board and
39 except with respect to water supplies available to the Truckee
40 Meadows Water Authority under or acquired by it for use in
41 connection with the Truckee River Operating Agreement or
42 provided in the Water Quality Settlement Agreement, on and after
43 January 1, 2008, any rights to water supplies required for use by any
44 public purveyor may only be acquired by the Board.



Sec. 31. The Board may establish the service territories within the planning area in which the public purveyors and all systems for the supply of water which are controlled or operated by the public purveyors will, on and after January 1, 2008, provide new retail or wholesale water services to new customers. The provisions of this section do not affect the ability of public purveyors to continue to provide retail and wholesale water services to customers who received that type of service before January 1, 2008, or pursuant to agreements for water service existing before January 1, 2008. In determining the boundaries of such service territories, the Board shall:

1. Plan for the delivery of water at the lowest reasonable cost, considering all the facilities, improvement and operations required to provide that water as measured by the net present value of those facilities, improvements and operations existing at the time of the determination, generally using current dollars;

2. Seek to ensure that existing or future customers are not affected inequitably;

3. Seek to provide for the most effective management, development and integration of systems for the efficient use of water supplies and associated facilities; and

4. Consider:

(a) Any specific planning conducted by public purveyors before January 1, 2008, for existing or new customers;

(b) The topography of the service territories and the readiness and ability of public purveyors to serve customers with existing facilities;

(c) Any policies for land use that affect the service territories; and

(d) The rate of growth within the service territories projected over a reasonable period.

Sec. 32. The Authority shall not:

1. Control the use or impair the ownership of water supplies, water rights or facilities owned by any public purveyor within that public purveyor's own retail service territory, other than scheduling the delivery of such water supplies or facilities to maximize the yield of such water supplies or facilities.

2. Fix the rates or rules of a public purveyor for the delivery of water by the public purveyor, acquire, without the consent of the public purveyor, ownership of any water supplies, water rights, facilities or other assets of a public purveyor, or take any action which will impair any bond obligations of a public purveyor existing before January 1, 2008.

3. Provide wholesale water services to a public purveyor if:



(a) Wholesale water services are already provided by a public purveyor; or

(b) A public purveyor that has additional unused capacity is willing and able to provide wholesale water services,

↳ unless otherwise provided by an agreement between the public purveyor and wholesale customer.

Sec. 33. The Board has and may exercise all rights and powers necessary or incidental to or implied from the specific powers granted in this Act. Such specific powers are not a limitation upon any power necessary or appropriate to carry out the purposes and intent of this Act.

Sec. 34. Notwithstanding the provisions of this Act, the Truckee Meadows Water Authority or its successor is and shall remain the entity with the sole and exclusive power and authority to negotiate and execute and to implement its obligations under that Agreement, as the successor in interest to Sierra Pacific Power Company. All water supplies provided or available to the Truckee Meadows Water Authority or its successor pursuant to the Truckee River Operating Agreement must be considered as acquired before January 1, 2008, and must be managed, scheduled and operated in accordance with that Agreement. Nothing in this Act alters the rights and obligations of the Water Quality Settlement Agreement, and all water supplies must be managed, scheduled and operated in accordance with the Water Quality Settlement Agreement.

Sec. 35. The Board may, upon the recommendation of the Commission:

1. Adopt and revise the Comprehensive Plan;
2. Develop methods for conserving existing water supplies which are consistent with any other plans required by law;
3. Develop methods of collecting and treating sewage to protect and conserve water supplies;
4. Provide information to members of the public regarding present and potential uses of water; and
5. Make recommendations concerning the management and use of water within the planning area to:
 - (a) The governing body and the Planning Commission of Washoe County and the cities of Reno and Sparks;
 - (b) The Governing Board for Regional Planning and the Regional Planning Commission established in Washoe County pursuant to NRS 278.0264 and 278.0262, respectively;
 - (c) The State Engineer;
 - (d) The Federal Government; and
 - (e) Such other entities as the Board deems appropriate.

Sec. 36. 1. To fund the planning and administration required by this Act and the implementation of the Comprehensive Plan, the



1 Board may impose a fee at a rate not to exceed 1.5 percent of the
2 amount otherwise billed, to be collected by each public purveyor
3 and supplier of water from customers within the planning area. If
4 the Board determines to impose such a fee, the Board must impose
5 the fee by resolution after holding a hearing.

6 2. A public purveyor or supplier of water must state separately
7 on its billings to customers the amount charged as a result of any fee
8 imposed pursuant to subsection 1.

9 **Sec. 37.** 1. The Northern Nevada Water Planning
10 Commission is hereby created in the planning area. The
11 Commission must consist of the following voting members who are
12 residents of Nevada:

13 (a) The Director of Public Works for the City of Reno, or his
14 designee;

15 (b) The Director of Public Works for the City of Sparks, or his
16 designee;

17 (c) The Director of Water Resources for Washoe County, or his
18 designee;

19 (d) The General Manager of the South Truckee Meadows
20 General Improvement District or its successor, or his designee;

21 (e) The General Manager of the Sun Valley General
22 Improvement District or its successor, or his designee;

23 (f) The General Manager of the Truckee Meadows Water
24 Authority or its successor, or his designee;

25 (g) The General Manager of the Truckee Meadows Wastewater
26 Reclamation Facility or its successor, or his designee;

27 (h) One member appointed by the governing body of the Indian
28 reservation which is the largest in area in the planning area, if the
29 planning area contains an Indian reservation, or, if there is not an
30 Indian reservation located within the planning area or the governing
31 body of the reservation does not appoint a member, one member
32 appointed by the Board to represent the public at large;

33 (i) One member of the public at large appointed by the Board to
34 represent environmental, biological, conservation or public
35 concerns;

36 (j) One member appointed by the Board to represent owners of
37 domestic wells;

38 (k) One member appointed by the Board of Supervisors of the
39 Washoe-County Water Conservation District or its successor; and

40 (l) Such additional members with expertise in any area that the
41 Board determines is necessary, appointed by the Board.

42 ➤ The terms of the ex officio members described in paragraphs (a)
43 to (g), inclusive, are concurrent with the employment of those
44 members in the respective positions specified in those paragraphs.



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1 The members appointed pursuant to paragraphs (h) to (l), inclusive,
2 serve initial terms of 2 years.

3 2. After the initial terms, the term of office of each member
4 appointed pursuant to paragraphs (h) to (l), inclusive, of subsection
5 1 is 3 years. A member may be reappointed. A vacancy must be
6 filled for the unexpired term by the appointing entity.

7 **Sec. 38.** In addition to the voting members, the commission
8 includes the following nonvoting members:

9 1. One member appointed by the Public Utilities Commission
10 of Nevada;

11 2. One member appointed by the Consumer's Advocate of the
12 Bureau of Consumer Protection in the Office of the Attorney
13 General;

14 3. One member appointed by the Administrator of the
15 Division;

16 4. One member appointed by the State Engineer;

17 5. One member appointed by the Chief of the Water Planning
18 Section of the Division of Water Resources of the State Department
19 of Conservation and Natural Resources;

20 6. One member appointed by the board of directors of the
21 water conservancy district which is largest in area in the planning
22 area;

23 7. One member appointed by the county or district board of
24 health;

25 8. One member of the public at large appointed by the
26 affirmative vote of a majority of the voting members; and

27 9. Additional members with expertise in an area that the
28 majority of the voting members determines is necessary, appointed
29 by the affirmative vote of a majority of the voting members.

30 **Sec. 39.** The members of the Commission appointed pursuant
31 to paragraphs (h) to (l), inclusive, of subsection 1 of section 37 of
32 this Act or any alternative designees appointed pursuant to
33 paragraphs (a) to (g), inclusive, of subsection 1 of section 37 of this
34 Act may not hold any elective governmental office but may be
35 engaged or employed in private enterprise or be employees of state
36 or local government, and each member must be qualified pursuant to
37 at least one of the following subsections:

38 1. A professional engineer licensed pursuant to the provisions
39 of chapter 625 of NRS;

40 2. Experienced in comprehensive planning, natural resources or
41 environmental protection;

42 3. A specialist in hydrologic science;

43 4. Experienced in law, management or planning related to
44 water;

45 5. Experienced in municipal finance or resource economics;



6. Experienced in construction, planning or operation of facilities or systems for supplying or treating water, for collecting or treating sewage, for drainage of storm water or for control of floods; or

7. Knowledgeable in the areas of water conservation, biology, natural systems, water quality and water management.

Sec. 40. The Commission shall establish a schedule for the selection of its Chairman for a term of 1 year, in rotation, from among the members.

Sec. 41. 1. The Commission shall meet at the call of the Chairman or any three members. The Commission shall establish a schedule of regular meetings and provide for the calling of a special meeting when action is required before a regular meeting would occur.

2. A quorum consists of a majority of the members. The affirmative vote of a majority of the members present is required to take action, unless a larger proportion is required by this Act for a particular action.

3. A member of the Commission is not entitled to compensation for his services as a member.

Sec. 42. 1. The Commission shall develop, and as necessary recommend revisions to, a Comprehensive Plan for the planning area covering the supply of municipal and industrial water, quality of water, sanitary sewerage, treatment of sewage, drainage of storm waters and control of floods. The initial Comprehensive Plan must be developed on or before January 1, 2011. The provisions of the comprehensive plan developed and revised pursuant to the former provisions of NRS 540A.130 before January 1, 2008, remain in effect until the Board adopts the initial Comprehensive Plan.

2. The Comprehensive Plan must consist of written text, appropriate maps and goals and policies to deal with current and future problems affecting the planning area as a whole with respect to the subjects of the Comprehensive Plan set forth in subsection 1. In developing the Comprehensive Plan, the Commission shall consider any water resource plan developed by a public purveyor and, to the extent feasible and consistent with the objectives of the Authority, seek to incorporate such a plan.

3. The Comprehensive Plan must:

(a) Describe the problems and needs of the planning area relating to the subjects of the Comprehensive Plan set forth in subsection 1;

(b) Identify the providers of services relating to the subjects of the Comprehensive Plan within the planning area and the area within which each provides service, including service territories of public utilities and public purveyors;



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(c) Identify alternatives to reduce demand or increase water supply;

(d) Identify and provide for existing and future sources of water needed to meet the present or future needs of the planning area, including, without limitation, existing and future demand for water within each public purveyor's service territory;

(e) Define priorities and general location for additional major facilities needed to provide services relating to the subjects of the Comprehensive Plan set forth in subsection 1;

(f) Describe programs to mitigate drought, achieve conservation of water, protect wellheads and otherwise manage water;

(g) Provide for the development, acquisition and stabilization of surface water and groundwater supply in the planning area, including policies regarding dedication of privately held water resources by applicants for water service;

(h) Provide for the oversight of, protection of, regional management of and maximization of efficient conjunctive use of, the supply of surface water and groundwater and major water resource facilities in the planning area, including use of reclaimed water and recharge and recovery or underground storage and recovery of water, and the scheduling of the delivery of water supplies held by public purveyors;

(i) Identify and provide for the extent to which reuse or effluent water is to be put to beneficial use or discharged, directly or indirectly, into the Truckee River;

(j) Provide for the regional conservation and prevention of long-term depletion of surface water and groundwater resources in the planning area in support of the Comprehensive Plan;

(k) Provide for adequate supplies of municipal and industrial water, quality of water, sanitary sewerage, treatment of sewage, drainage of storm waters and control of floods within the planning area;

(l) Identify and provide for the peaking capacity required for delivery of water supplies by the Authority to each public purveyor, if applicable, and the means by which such requirements will be met;

(m) Include a water budget identifying water supplies available to the Authority and separately to each public purveyor from all sources; and

(n) Seek to make full use of any unused capacity of facilities that are owned by public purveyors, if such use is otherwise economical and efficient.

4. The Commission shall make recommendations to the Board for the adoption of, and any revisions to, the Comprehensive Plan.



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Sec. 43. The Comprehensive Plan must include the following elements:

1. Quality of surface water, which must include, without limitation:

- (a) Compliance with standards of quality for bodies of water;
- (b) Locations and capacities of plants to treat wastewater;
- (c) Intended quantity and quality of discharge from those plants and its reuse, service areas and interceptors; and
- (d) Programs to attain protection from pollution by both concentrated and diffuse sources.

2. Quality of groundwater, which must include, without limitation:

- (a) Compliance with standards of quality for hydrographic basins and septic tanks;
- (b) Capacities for withdrawal of water from hydrographic basins;
- (c) Programs to protect wellheads;
- (d) Programs to clean up contaminated groundwater from hydrographic basins; and
- (e) Programs to attain protection from pollution by both concentrated and diffuse sources.

3. Supply of surface water, which must include, without limitation:

- (a) Existing and planned sources of surface water;
- (b) Existing and planned uses for all surface water, including municipal and industrial uses, requirements for return flow, reserves for drought and future growth, uses to improve the quality of water, uses to provide habitat and uses in conjunction with underground water;
- (c) Major facilities to convey and store surface water;
- (d) Standards, service areas, rates of flow and reserves for storage; and
- (e) Facilities to treat surface water.

4. Supply of underground water, which must include, without limitation:

- (a) Existing and planned sources of underground water;
- (b) Existing and planned uses for all underground water, including municipal and industrial uses, maintenance of minimum groundwater level and the need for recharge, reserves for drought and future growth, uses to improve the quality of water, uses to provide habitat and uses in conjunction with surface water;
- (c) Major facilities to extract and convey underground water;
- (d) Compliance with standards for treated and nontreated water, services areas, rates of flow and reserves for storage; and
- (e) Facilities to treat and store underground water.



5. Control of floods and drainage of storm water, as it relates to surface water, which must include, without limitation:

(a) Minimum standards of design for controlling floods in the planning area;

(b) Nonstructural alternatives and standards for facilities to control floods in the planning area and single drainage basins;

(c) Regional facilities to control floods; and

(d) Generalized facilities and standards of design for single drainage basins.

6. Control of floods and drainage of storm water, as it relates to underground water, which must include, without limitation:

(a) Groundwater level and capacity for additional storage of water underground as a means of mitigating floods;

(b) Location and capacities of major facilities for controlling floods which utilize storage of water underground to mitigate floods; and

(c) Standards of design for devices to infiltrate storm water and other minor facilities for controlling floods which utilize storage of water underground to mitigate floods.

7. Cost and financing, which must include an estimate of the cost of each major facility, source of water or other requirement of the Comprehensive Plan and an analysis of alternatives for financing and funding the facility, source or other requirement, or alternatives thereto, as well as the effect of the funding alternatives on other facilities included in the Comprehensive Plan. The estimate of cost must state the financial impact on persons within the planning area, including, without limitation, all direct and indirect costs of connecting to a system for supplying water, if applicable.

8. Recommendations for developing and implementing consistent policies of, and among, the Authority and public purveyors concerning regional drought reserve standards, developer costs, impact fees, dedication of water rights and standards for the drainage of water.

9. Evaluation and recommendations regarding the consolidation of public purveyors in the planning area, which must include costs and benefits of consolidation, the feasibility of various consolidation options, analysis of water supplies, operations, facilities, human resources, assets, liabilities, bond covenants, and legal and financial impediments to consolidation and methods, if any, for addressing any such impediments.

Sec. 44. 1. The Comprehensive Plan must be consistent with and carry out the provisions of the Comprehensive Regional Plan adopted by the Governing Board for Regional Planning in Washoe County pursuant to NRS 278.0276 and the master plans and any



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1 other plans for the use of land which are adopted by governmental
2 entities within the planning area.

3 2. The Comprehensive Plan must be consistent with and carry
4 out or support the carrying out of all aspects of the Truckee River
5 Operating Agreement and Water Quality Settlement Agreement.

6 3. The Comprehensive Plan must be consistent with the state
7 water plan that is in effect at the time that the Comprehensive Plan
8 is adopted.

9 **Sec. 45.** In developing the Comprehensive Plan, the
10 Commission shall:

11 1. Receive and consider information from public purveyors,
12 public utilities and other entities supplying municipal and industrial
13 water within the planning area;

14 2. Receive and consider information from entities providing
15 sanitary sewerage, treatment of sewage, drainage of storm water and
16 control of floods within the planning area;

17 3. Receive and consider information from entities concerned
18 with water quality within the planning area;

19 4. Review and consider any plan or recommendation of the
20 State Engineer concerning the development, conservation and use of
21 water resources, existing water conservation plans, the regional plan
22 and any master plan that has been adopted pursuant to the provisions
23 of chapter 278 of NRS and any similar plan of a local government
24 which applies to any area in the planning area, and may seek and
25 consider the advice of each local planning commission and any
26 other affected entity;

27 5. Coordinate and make consistent the elements of the
28 Comprehensive Plan set forth in section 43 of this Act;

29 6. Consider existing applicable laws;

30 7. Recognize and coordinate the needs of the incorporated
31 areas of the planning area with the needs of the unincorporated areas
32 of the planning area; and

33 8. Receive and consider information from other interested
34 persons.

35 **Sec. 46.** 1. Before submitting the Comprehensive Plan to the
36 Board, the Commission shall hold at least one public hearing on the
37 Comprehensive Plan within the planning area.

38 2. Before acting on a proposed amendment to the adopted
39 Comprehensive Plan, the Commission shall hold at least one public
40 hearing on the proposed amendment at a location in the planning
41 area relevant to the proposed amendment.

42 3. Notice of the time and place of each hearing must be given
43 by publication in a newspaper of general circulation in the planning
44 area at least 10 days before the day of the hearing. If there is more



1 than one newspaper of general circulation in the planning area,
2 notice must be given by publication in at least two such newspapers.

3 4. The decision to submit the proposed Comprehensive Plan or
4 any amendment to the adopted Comprehensive Plan to the Board
5 must be made by resolution of the Commission carried by the
6 affirmative votes of a majority of the total members of the
7 Commission. The resolution must refer expressly to the text, maps
8 and descriptive or other matter intended by the Commission to
9 constitute the Comprehensive Plan or an amendment thereto.

10 **Sec. 47.** 1. An attested copy of the proposed Comprehensive
11 Plan or an amendment thereto must be submitted by the
12 Commission to the Board.

13 2. Before taking any action on the proposed Comprehensive
14 Plan or an amendment thereto, the Board shall convene a public
15 hearing.

16 3. Notice of the hearing must be given at least 10 days before
17 the date of the hearing. The notice must include, without limitation:

18 (a) A statement of the time, place and nature of the hearing;

19 (b) A statement of the legal authority under which the hearing is
20 to be held; and

21 (c) A reference to the particular sections of any applicable laws.

22 4. Not less than 30 days before the hearing, the Board shall
23 cause to be placed a copy of the proposed Comprehensive Plan or
24 amendment thereto in the office of the County Clerk of Washoe
25 County and publish notice that the Comprehensive Plan or
26 amendment thereto is available for public inspection.

27 5. Each notice required by this section must be published in a
28 newspaper of general circulation in the planning area. If there is
29 more than one newspaper of general circulation in the planning area,
30 notice must be given by publication in at least two such newspapers.
31 The notice must be a display advertisement not less than 3 by 5
32 inches in size.

33 **Sec. 48.** 1. The Board shall not change or add to the
34 proposed Comprehensive Plan or an amendment thereto as
35 submitted by the Commission until it has submitted the substance of
36 the proposed change or addition to the Commission in writing with
37 its reasons for the change or addition.

38 2. The Commission shall, if it agrees to the change or addition,
39 revise the submitted Comprehensive Plan or amendment thereto
40 accordingly. If the Commission does not agree, it shall report to the
41 Board in writing its reason for disagreeing and any alternative
42 proposal.

43 3. In either case, the Commission shall present its revision or
44 report to the Board within 40 days after the Board's change or
45 amendment is submitted to the Commission.



1 4. If the Commission does not agree with the proposed change
2 or addition and the Board refuses to rescind its proposal or to accept
3 an alternative proposal of the Commission, the Commission shall
4 revise the originally submitted Comprehensive Plan or amendment
5 thereto to incorporate the change or addition proposed by the Board.

6 **Sec. 49.** 1. After adoption by the Board, the Comprehensive
7 Plan or an amendment thereto must be submitted for review to the
8 Regional Planning Commission in Washoe County established
9 pursuant to NRS 278.0262. The Regional Planning Commission
10 shall review the Comprehensive Plan or amendment thereto only for
11 consistency with the Comprehensive Regional Plan adopted
12 pursuant to NRS 278.0276 and the master plans and any other plans
13 for the use of land which are adopted by local governmental entities
14 within the planning area. The Regional Planning Commission shall
15 review the Comprehensive Plan or amendment thereto at one or
16 more public hearings. Notice of the time and place of a hearing must
17 be given in accordance with NRS 278.0276.

18 2. If the Regional Planning Commission fails to make a
19 determination within 40 days after the submission of the
20 Comprehensive Plan or amendment thereto, the Comprehensive
21 Plan or amendment thereto shall be deemed to be consistent with the
22 Comprehensive Regional Plan.

23 3. If the Regional Planning Commission determines that the
24 Comprehensive Plan or amendment thereto is not consistent with the
25 Comprehensive Regional Plan, it shall state its reasons why
26 the Comprehensive Plan or amendment thereto is not consistent.
27 Unless an appeal is filed pursuant to section 50 of this Act, the
28 Commission and the Board shall respectively develop and adopt, in
29 accordance with sections 45 to 48, inclusive, of this Act, proposed
30 revisions to the Comprehensive Plan or amendment thereto, and the
31 Board shall resubmit the revised Comprehensive Plan or amendment
32 thereto to the Regional Planning Commission.

33 **Sec. 50.** 1. An affected entity that disagrees with the reasons
34 given by the Regional Planning Commission for its determination of
35 consistency or inconsistency pursuant to section 49 of this Act may
36 file an appeal with the Governing Board for Regional Planning in
37 Washoe County not later than 10 days after the determination of
38 consistency or inconsistency. As used in this subsection, "affected
39 entity" means Washoe County, the City of Reno, the City of Sparks
40 or any other governmental entity or public purveyor or a public
41 utility providing services relating to the subject matter of the
42 Comprehensive Plan within the planning area.

43 2. Within 45 days after its receipt of an appeal, the Governing
44 Board for Regional Planning shall consider the appeal and issue its
45 decision. If the decision of the Governing Board for Regional



1 Planning is that the Comprehensive Plan or amendment thereto is
2 not consistent with the Comprehensive Regional Plan, it shall state
3 its reasons why the Comprehensive Plan or amendment thereto is
4 not consistent. The Commission and the Board shall then
5 respectively develop and adopt, in accordance with sections 45 to
6 48, inclusive, of this Act, proposed revisions to the Comprehensive
7 Plan or amendment thereto, and the Board shall resubmit the revised
8 Comprehensive Plan or amendment thereto to the Regional Planning
9 Commission for review.

10 **Sec. 51.** The adopted Comprehensive Plan must be reviewed
11 by the Commission on a schedule to be established by the Board,
12 which must at least provide for review of the Comprehensive Plan
13 within 5 years after its adoption and at least every 5 years thereafter.
14 After each review, the Commission shall submit to the Board any
15 proposed amendment to the Comprehensive Plan or report that there
16 are no amendments.

17 **Sec. 52.** 1. Except as otherwise provided in subsection 2, on
18 and after the date the initial Comprehensive Plan is finally approved,
19 no facility intended to provide a service relating to a subject of the
20 Comprehensive Plan within the planning area may be constructed, if
21 the facility is of such a kind or size as to affect the working of the
22 Comprehensive Plan as distinct from providing normal service to
23 customers, unless it is included in the Comprehensive Plan or has
24 been reviewed and approved as provided in subsection 3.

25 2. The Comprehensive Plan may allow for the construction of
26 facilities not included within the Comprehensive Plan in order to
27 meet an emergency as defined in the Comprehensive Plan.

28 3. A proposal to construct a facility described in subsection 1
29 within the planning area must be submitted to the Commission for
30 review and recommendation to the Board concerning the
31 conformance of the proposal with the Comprehensive Plan. The
32 review must include an evaluation of stranded costs, the need for the
33 facility within the planning area and the impact that construction of
34 the facility will have on any potential consolidation of public
35 purveyors. If the Commission fails to make such a recommendation
36 within 30 days after the proposal is submitted to it, the Commission
37 shall be deemed to have made a recommendation that the proposal
38 conforms to the Comprehensive Plan. The Board shall consider the
39 recommendation of the Commission and approve or disapprove the
40 proposal as conforming to the Comprehensive Plan. Any
41 disapproval must be accompanied by recommended actions to be
42 taken to make the proposal conform to the Comprehensive Plan. The
43 Commission and the Board shall limit their review to the substance
44 and content of the Comprehensive Plan and shall not consider the
45 merits or deficiencies of a proposal in a manner other than is



1 necessary to enable them to make a determination concerning
2 conformance with the Comprehensive Plan.

3 4. The Board shall provide, by resolution after holding a
4 hearing, for the Commission or its staff to make final decisions
5 concerning the conformance of classes of proposed facilities to the
6 Comprehensive Plan. A resolution adopted pursuant to this section
7 must provide an opportunity for the applicant or a protestant to
8 appeal from a decision of the Commission or its staff to the Board.

9 **Sec. 53.** Any water right or source of water belonging to a
10 governmental entity within the planning area must be used in
11 accordance with the Comprehensive Plan.

12 **Sec. 54.** The Board may issue bonds for the purpose of
13 acquiring, managing, delivering or improving water supplies, and
14 the bonds must be made payable out of the revenues of the
15 Authority, including those derived from the sale, delivery or
16 operation of such water supplies or the furnishing of services.

17 **Sec. 55.** 1. Except as otherwise provided in this Act, the
18 Board, in accordance with NRS 350.500 to 350.720, inclusive, may
19 issue on its behalf and in its name at any time or from time to time,
20 as the Board may determine, revenue bonds and other securities
21 constituting special obligations and payable from net revenues, but
22 excluding the proceeds of any general ad valorem property taxes,
23 which payment is secured by a pledge of and lien on such net
24 revenues.

25 2. The provisions of this Act do not prevent the Authority from
26 funding, refunding or reissuing any outstanding securities of the
27 Authority of a type designated in subsection 1 as provided in NRS
28 350.500 to 350.720, inclusive.

29 3. Revenue bonds may be sold at public sale as provided in
30 NRS 350.500 to 350.720, inclusive, or sold at private sale.

31 **Sec. 56.** The Board may provide for the appointment of a
32 paying or fiscal agency within or without the State, in relation to any
33 general obligation or revenue bonds of the Authority, which must be
34 a bank possessing trust powers and which shall act in a fiduciary
35 capacity and not as a depositary, and may:

36 1. Provide for the powers, duties, functions and compensation
37 of the agent.

38 2. Limit the liabilities of the agent.

39 3. Prescribe a method for his resignation and removal, and the
40 merger or consolidation of agents.

41 4. Prescribe a method for the appointment of a successor agent
42 and the transfer of rights and properties to the successor.

43 **Sec. 57.** 1. Except as otherwise provided in subsection 2,
44 bonds issued pursuant to this Act, and the income therefrom, are
45 exempt from all state, county and municipal taxation.



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2. The provisions of subsection 1 do not apply to the tax on estates imposed pursuant to the provisions of chapter 375A of NRS or the tax on generation-skipping transfers imposed pursuant to the provisions of chapter 375B of NRS.

3. All public officers and bodies of the State, municipal corporations, political subdivisions, all insurance companies and associations, all savings banks and savings institutions, including savings and loan associations, all executors, administrators, guardians, trustees and all other fiduciaries in the State may legally invest funds within their control in bonds of the Authority.

Sec. 58. The provisions of this Act do not supersede the authority granted by law to the State Engineer, the State Environmental Commission and the State Department of Conservation and Natural Resources.

Sec. 59. NRS 540A.060, 540A.070, 40A.080, 540A.090, 540A.100, 540A.110, 540A.120, 540A.130, 540A.140, 540A.150, 540A.160, 540A.170, 540A.180, 540A.190, 540A.200, 540A.210, 540A.220, 540A.230, 540A.240, 540A.290, 540A.300 and 540A.310 are hereby repealed.

Sec. 60. The fee authorized pursuant to NRS 540A.070 must remain in effect and be collected by Washoe County and transferred to the Northern Nevada Water Authority until such time as the Board of Trustees of the Authority adopts a resolution pursuant to section 36 of this Act imposing a new fee.

Sec. 61. 1. There is hereby created the Legislative Committee to Oversee the Northern Nevada Water Authority created pursuant to section 23 of this act. The Committee must:

(a) Consist of six Legislators as follows:

(1) One member of the Senate appointed by the Chairman of the Senate Committee on Natural Resources;

(2) One member of the Assembly appointed by the Chairman of the Assembly Committee on Natural Resources, Agriculture, and Mining;

(3) One member of the Senate appointed by the Majority Leader of the Senate;

(4) One member of the Senate appointed by the Minority Leader of the Senate;

(5) One member of the Assembly appointed by the Speaker of the Assembly; and

(6) One member of the Assembly appointed by the Minority Leader of the Assembly.

(b) Insofar as practicable, represent the various areas within the planning area.

(c) Elect a Chairman and a Vice Chairman from among its members. The Chairman must be elected from one House of the



1 Legislature and the Vice Chairman from the other House. After the
2 initial selection of a Chairman and a Vice Chairman, each of those
3 officers holds office for a term of 2 years commencing on July 1 of
4 each odd-numbered year. If a vacancy occurs in the chairmanship or
5 vice chairmanship, the members of the Committee shall select a
6 replacement for the remainder of the unexpired term.

7 2. Any member of the Committee who is not a candidate for
8 reelection or who is defeated for reelection continues to serve until
9 the next session of the Legislature convenes.

10 3. Vacancies on the Committee must be filled in the same
11 manner as original appointments.

12 4. The members of the Committee shall meet throughout each
13 year at the times and places specified by a call of the Chairman or a
14 majority of the Committee.

15 5. The Director of the Legislative Counsel Bureau or his
16 designee shall act as the nonvoting recording Secretary.

17 6. The Committee shall prescribe regulations for its own
18 management and government.

19 7. Except as otherwise provided in subsection 8, four members
20 of the Committee constitute a quorum, and a quorum may exercise
21 all the powers conferred on the Committee.

22 8. Any recommended legislation proposed by the Committee
23 must be approved by a majority of the members of the Senate and
24 by a majority of the members of the Assembly appointed to the
25 Committee.

26 9. Except during a regular or special session of the Legislature,
27 the members of the Committee are entitled to receive the
28 compensation provided for a majority of the members of the
29 Legislature during the first 60 days of the preceding regular session,
30 the per diem allowance provided for state officers and employees
31 generally and the travel expenses provided pursuant to NRS
32 218.2207 for each day or portion of a day of attendance at a meeting
33 of the Committee and while engaged in the business of the
34 Committee. The salaries and expenses paid pursuant to this
35 subsection and the expenses of the Committee must be paid from the
36 Legislative Fund.

37 10. The Committee shall review the programs and activities of
38 the Northern Nevada Water Authority. The review must include an
39 analysis of potential consolidation of the retail distribution systems
40 and facilities of all public purveyors in the planning area, which is
41 described in section 22 of this Act.

42 11. The Committee may:

43 (a) Conduct investigations and hold hearings in connection with
44 its powers pursuant to this section.



(b) Direct the Legislative Counsel Bureau to assist in the study of issues related to oversight of the Northern Nevada Water Authority.

12. In conducting the investigations and hearings of the Committee:

(a) The Secretary of the Committee or, in his absence, any member of the Committee may administer oaths.

(b) The Secretary or Chairman of the Committee may cause the deposition of witnesses, residing either within or outside of the State, to be taken in the manner prescribed by rule of court for taking depositions in civil actions in the district courts.

(c) The Chairman of the Committee may issue subpoenas to compel the attendance of witnesses and the production of books and papers.

13. If any witness refuses to attend or testify or produce any books and papers as required by the subpoena issued pursuant to this section, the Chairman of the Committee may report to the district court by petition, setting forth that:

(a) Due notice has been given of the time and place of attendance of the witness or the production of the books and papers;

(b) The witness has been subpoenaed by the Committee pursuant to this section; and

(c) The witness has failed or refused to attend or produce the books and papers required by the subpoena before the Committee which is named in the subpoena, or has refused to answer questions propounded to him,

and asking for an order of the court compelling the witness to attend and testify or produce the books and papers before the Committee.

14. Upon a petition pursuant to subsection 13, the court shall enter an order directing the witness to appear before the court at a time and place to be fixed by the court in its order, the time to be not more than 10 days after the date of the order, and to show cause why he has not attended or testified or produced the books or papers before the Committee. A certified copy of the order must be served upon the witness.

15. If it appears to the court that the subpoena was regularly issued by the Committee, the court shall enter an order that the witness appear before the Committee at the time and place fixed in the order and testify or produce the required books or papers. Failure to obey the order constitutes contempt of court.

16. Each witness who appears before the Committee by its order, except a state officer or employee, is entitled to receive for his attendance the fees and mileage provided for witnesses in civil cases in the courts of record of this State. The fees and mileage must



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1 be audited and paid upon the presentation of proper claims sworn to
2 by the witness and approved by the Secretary and Chairman of the
3 Committee.

4 17. On or before January 15 of each odd-numbered year, the
5 Committee shall submit to the Director of the Legislative Counsel
6 Bureau for transmittal to the Legislature a report concerning the
7 review conducted pursuant to subsection 10 and any
8 recommendations for legislation.

9 **Sec. 62.** 1. This act becomes effective on January 1, 2008.

10 2. Section 23.5 of this act expires by limitation on January 1,
11 2008, if the cooperative agreement specified in that section has not
12 been entered into and has not become effective before that date.

13 3. Sections 24, 25 and 26 of this act expire by limitation on
14 January 1, 2008, if the cooperative agreement specified in section
15 23.5 of this act has been entered into and has become effective
16 before that date.

17 4. Section 61 of this act expires by limitation on July 1, 2011.

LEADLINES OF REPEALED SECTIONS

**540A.060 Conservation; sewerage; public information;
recommendations concerning management and use of water.**

**540A.070 Imposition and collection of fee for planning and
administration of chapter and implementation of certain plans.**

**540A.080 Creation; voting membership; terms of
members; vacancies.**

540A.090 Nonvoting membership.

540A.100 Qualifications of members.

540A.110 Selection of chairman.

540A.120 Meetings; quorum; compensation of members.

540A.130 Development and revision; contents.

540A.140 Required elements.

540A.150 Consistency with other plans and federal law.

**540A.160 Consideration of information from other entities
and persons; review of other plans; coordination.**

**540A.170 Public hearings; adoption of resolution for
submission of plan or amendment.**

**540A.180 Submission of plan or amendment to board;
board required to hold public hearing; notice; copy of proposed
plan or amendment to be available for public inspection.**

540A.190 Changes and additions.



540A.200 Review by regional planning commission; effect of nonconformity with comprehensive regional plan.

540A.210 Appeal of determination by regional planning commission.

540A.220 Periodic review.

540A.230 Construction of certain facilities following approval of plan.

540A.240 Acquisition and use of water rights and other sources of water in accordance with plan; imposition of charge by board.

540A.290 Property or facility of county: Transfer to or operation or management by largest supplier in region which is public utility.

540A.300 Agreement between board and largest supplier in region which is public utility; compliance with regulations of Public Utilities Commission of Nevada; withholding of certain information from board.

540A.310 Duties of largest supplier in region which is public utility.

