

**MINUTES OF THE  
SENATE COMMITTEE ON GOVERNMENT AFFAIRS**

**Seventy-fifth Session  
April 3, 2009**

The Senate Committee on Government Affairs was called to order by Chair John J. Lee at 12:38 p.m. on Friday, April 3, 2009, in Room 2144 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to the High Tech Center at Great Basin College, Room 137, Elko, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

**COMMITTEE MEMBERS PRESENT:**

Senator John J. Lee, Chair  
Senator Terry Care, Vice Chair  
Senator Steven A. Horsford  
Senator Shirley A. Breeden  
Senator William J. Raggio  
Senator Randolph Townsend  
Senator Mike McGinness

**GUEST LEGISLATORS PRESENT:**

Senator Dean A. Rhoads, Rural Nevada Senatorial District

**STAFF MEMBERS PRESENT:**

Heidi Chlarson, Committee Counsel  
Michael Stewart, Committee Policy Analyst  
Olivia Lodato, Committee Secretary

**OTHERS PRESENT:**

Catherine Sue Smith, City Clerk/Treasurer, City of Wells  
Matthew M. Griffin, Deputy Secretary for Elections, Office of the Secretary of State  
Rusty A. Tybo, Mayor, City of Wells  
Bryan Gresh, Regional Transportation Commission of Southern Nevada  
Richard "Skip" Daly, Business Manager, Laborers' International Union of North America, Local Union 169

John Madole, Executive Director, Associated General Contractors of America, Inc., Nevada Chapter  
Dylan T. Shaver, Southern Nevada Building and Construction Trades Council, International Brotherhood of Electrical Workers, Local 357  
John H. Seymour, Business Manager, International Brotherhood of Electrical Workers, Local 401  
Ernest E. Adler, former Senator; International Brotherhood of Electrical Workers, Local 1245  
Paul McKenzie, Executive Secretary-Treasurer, Building and Construction Trades Council of Northern Nevada, AFL-CIO  
Randy A. Soltero, Government Affairs Political Action Committee, Sheet Metal Workers, Local 88; Sheet Metal Workers, Local 26  
Danny J. Costella, Ironworkers Business Representative, Ironworkers Local 118  
Patrick T. Sanderson, Laborers' International Union, Local 872  
Wes Henderson, Government Affairs Coordinator, Nevada Association of Counties  
Tray Abney, Director, Government Relations, Reno-Sparks Chamber of Commerce  
Michael Tanchek, State Labor Commissioner, Department of Business and Industry  
Richard J. Nelson, P.E., Assistant Director, Operations, Nevada Department of Transportation  
Danny N. Coyle, Retiree Vice President, American Federation of State, County and Municipal Employees, AFL-CIO, Local 4041  
Rob Potter, Employee/Steward, Nevada Department of Transportation; American Federation of State, County and Municipal Employees, AFL-CIO  
Matt Leck, Assistant Management Analyst, Las Vegas Valley Water District, Southern Nevada Water Authority  
David N. Bowers, Assistant City Engineer, Department of Public Works, Las Vegas  
Steve Teshara  
Randy Robison, Virgin Valley Water District  
Nicole Rourke, Director of Intergovernmental Relations, Clark County School District  
Anne Loring, Washoe County School District

Chair Lee opened the meeting by stating Senate Bill (S.B.) 323 was withdrawn. He said Senator Rhoads would introduce S.B. 263.

**SENATE BILL 263**: Amends the Charters of the Cities of Carlin and Wells to revise provisions governing municipal elections. (BDR S-1003)

Senator Dean A. Rhoads, Rural Nevada Senatorial District, said the Cities of Carlin and Wells wanted to change their charters so their election dates were on the same day as the State primary and general election dates in order to save money. He said the amendment clarified the dates.

Catherine Sue Smith, City Clerk/Treasurer, City of Wells, said during the 2007 Legislative Session, the Cities of Wells and Carlin requested election date changes to coincide with the fall county, State and federal election cycle. The request was made to save money. She said during the fall of 2008, it was determined the City candidate filing dates extended beyond the date the City Clerk desired to mail sample ballots to voters. She said today's request was a change in candidate filing dates. The date would allow the City's filing date to coincide with the county, State and federal primary election. It would allow the county clerk ample time to process ballots. She said if the primary election date changed, the candidate's filing date would also change.

Senator Rhoads said the Nevada League of Cities and Municipalities supported the bill.

Matthew M. Griffin, Deputy Secretary for Elections, Office of the Secretary of State, introduced two friendly amendments to the bill. The amendments were introduced on behalf of Winifred (Win) Smith, Clerk, Elko County. He read an e-mail from Ms. Smith requesting an amendment to S.B. 263 which placed the Cities of Carlin and Wells on the same election schedule as the State. The change would allow the cost of running an election to be borne more by the County, saving each city a considerable amount of money. The request also stated it simplified the filing dates. Proposed Amendment 3876 to section 1 of S.B. 263 referred to candidate filing of the Cities of Carlin and Wells ([Exhibit C](#)). He said the amendment made the filing concurrent with the filing under Nevada Revised Statute (NRS) 293.177. He said it would save the cities additional money by not having to mail notice of vacancies in offices.

Mr. Griffin said the next proposed amendment to the bill ([Exhibit D](#)) was in section 2 of S.B. 263. He said the amendment dealt with candidates with the same last names. Presently, when two candidates had the same name and one was an incumbent, the incumbent's name was listed first on the ballot in bold

print. He said the problem with that statute was every name on the ballot was in bold print. The amendment proposed when an incumbent and challenger shared the same name, the word incumbent would be placed after the incumbent's name, [Exhibit D](#). Mr. Griffin said Senator Rhoads agreed with the proposed changes.

Senator McGinness asked if the panel from Wells was aware of the proposed amendments.

Ms. Smith said it had been discussed with the County Clerk. The Cities opposed moving the candidate filing date up because it would extend the campaign time for the entire period between January and the fall election. She said it was necessary in larger communities to reach all the registered voters, but smaller cities did not need that amount of time. She said the Cities of Carlin and Wells chose the primary dates as opposed to the original filing date.

Senator McGinness asked if they were opposed to the amendment.

Ms. Smith replied yes, they were opposed to the amendment.

Senator McGinness asked if she had concerns with all the amendment or just the date of the filing.

Ms. Smith replied they only opposed the date of the filing.

Chair Lee said Mr. Stewart asked if the date was March rather than January.

Mr. Griffin said the amended date was currently considered to be March for the filing date.

Chair Lee said the date was based on bills already in the process.

Mr. Griffin said if the bills were passed out of the Legislature, the date would then be May.

Chair Lee asked the Mayor if he wanted to respond to the changes of dates.

Rusty A. Tybo, Mayor, City of Wells, said he understood the changes being proposed by the amendments and the date changes.

Chair Lee closed the hearing on S.B. 263 and opened the hearing on S.B. 222.

[SENATE BILL 222](#): Makes various changes to provisions relating to state financial administration. (BDR 31-902)

Michael Stewart, Committee Policy Analyst, said S.B. 222 was identical to the first reprint of S.B. No. 509 of the 74th Session. He said the earlier bill was requested by the Advisory Group to Conduct an Interim Study on Lease-Purchase and Installment-Purchase Agreements by Public Entities. Mr. Stewart summarized S.B. 222 ([Exhibit E](#)). He said it required State agencies to advertise for proposals before entering into a lease-purchase or installment-purchase agreement for the purpose of acquiring an existing building or construction of a new building on property not owned by the State, [Exhibit E](#). Mr. Stewart said prevailing wage requirements must apply to construction, alterations, repairs or remodels, [Exhibit E](#).

Chair Lee asked if there were any questions on the bill. As there were none, he asked for a motion.

SENATOR CARE MOVED TO DO PASS S.B. 222.

SENATOR MCGINNESS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Chair Lee opened the discussion on S.B. 245.

[SENATE BILL 245](#): Makes various changes relating to regional transportation commissions. (BDR 22-585)

Mr. Stewart said S.B. 245 reorganized the provisions relating to the regional transportation commission (RTC) currently set in chapter 373 of the *Nevada Revised Statutes* into NRS 277 ([Exhibit F](#)). The bill authorized Clark County to install vending stands. It also authorized RTCs to place street banners. The fees collected for banners were to be used by the RTCs to fund transportation projects or mass transit operations, [Exhibit F](#). He said the bill required the governing body of each city participating in an RTC to approve the dissolution

of the commission, in addition to the governing body of the county. Mr. Stewart said several amendments were proposed. The amendments were attached in [Exhibit F](#). He summarized the amendments for the Committee.

Mr. Stewart said the first two amendments concerned street banners, [Exhibit F](#). He said it amended section 28 of the bill in two places, [Exhibit F](#). The third proposed amendment concerned section 17 and section 31 concerning vending, [Exhibit F](#). There were two amendments proposed concerning the powers of the RTC. It would amend section 27, subsection 1, paragraph (d) and add a new paragraph (f), [Exhibit F](#). The next proposed amendment concerned the construction installation of electrical and communication systems, [Exhibit F](#). The final amendment deleted section 39 as it related to the RTC's liability for certain damages, [Exhibit F](#).

Chair Lee asked if there were questions from the Committee.

Senator McGinness asked what kind of communication system was being proposed in the amendment.

Chair Lee said the communication system was just among the buses. He said the goal was not to take over communication systems in southern Nevada.

Senator McGinness was concerned the RTC would build a cellular system or something similar. He referenced section 34, subsection 2 of the proposed amendment, [Exhibit F](#).

Bryan Gresh, Regional Transportation Commission of Southern Nevada, said the communication system allowed for the computer system running the red light synchronization and the system for overhead information signs.

Senator Townsend said he could not find any reference to the NRS statute involving telecommunications. He said the way the amendment was written, it allowed other things similar to building one's own telephone system.

Chair Lee said the bill needed to be removed from today's work session and discussed at the next meeting with answers concerning the communication system. He closed the hearing on [S.B. 245](#) opened the discussion on [S.B. 264](#).

**SENATE BILL 264**: Authorizes local governments to impose, increase, decrease and repeal certain taxes to carry out their functions. (BDR 31-81)

Senator Care said S.B. 264 was perceived as a protax bill. He said the bill actually allowed local governments the discretion to repeal or lower taxes. He said the issue of home rule needed addressing by the Legislature but not in this bill. He proposed deleting the bill in its entirety and replacing it with language found in S.C.R. No. 10 of the 74th Session ([Exhibit G](#)). He said he requested an interim study on home rule in Nevada. He said the resolution did not propose a contract with an outside vendor. The interim committee would be made up of an advisory group of local governments that continued to draw their salary and thus avoided a fiscal note. He said some bills heard by the Legislature needed to be left to the local entities.

Mr. Stewart said the Committee on Legislative Operations and Elections considered all the interim studies.

Chair Lee asked for a motion to amend and rerefer S.B. 264.

SENATOR CARE MOVED TO AMEND AND REREFER S.B. 264 TO THE SENATE COMMITTEE ON LEGISLATIVE OPERATIONS AND ELECTIONS.

SENATOR MCGINNESS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Chair Lee opened the discussion on S.B. 376.

**SENATE BILL 376**: Makes various changes relating to the prevailing wage requirements. (BDR 28-730)

Richard "Skip" Daly, Business Manager, Laborers' International Union of North America, Local 169, said there was an amendment to S.B. 376 ([Exhibit H](#)). He said S.B. 376 proposed to place in statute the class of workmen that the Labor Commissioner used to establish the prevailing wage rate in Nevada. He said the bill specified the types of projects included in the survey process and defined nonresidential construction. The bill sought to clarify when the Labor

Commissioner must hold a hearing if there was an objection or information submitted disputing the prevailing wage determination. He said S.B. 376 allowed the Labor Commissioner to recognize the wage increases and other economic conditions if the prevailing wage rate is determined to be a collectively bargained rate. He said the bill exempted the prevailing wage survey process only from the Administrative Procedure Act (APA). He said most of the bill was how the survey was conducted. They already surveyed for public and private nonresidential projects and for a broad class of workmen. He said there was some cleanup and consolidation of the classes as shown in Proposed Amendment 3700 to S.B. 376, [Exhibit H](#). He said rate increases would go into effect October 1. He said some things were done by regulation and some by tradition. The reason the provisions needed to be put into statute resulted from two recent court cases which created uncertainty in the longtime practices and policies regarding the prevailing wage survey. The court in *Labor Commissioner v. Littlefield*, 123 Nev. 35, 153 P.3d 26 (2007) said the annual survey amounted to regulations, even though the annual prevailing wage determinations had never been through the APA process. As a result, the Labor Commissioner submitted a 470-page set of regulations. He said S.B. 376 achieved the same thing the Labor Commissioner stated was his intent: Conduct the survey in the same way as before the *Littlefield* case without the 470 pages of regulations.

Mr. Daly referred to page 3, subsection 5, line 8 of Proposed Amendment 3700, [Exhibit H](#), referring to objections to the prevailing wage determination. He said a public body or union could submit an objection with evidence substantiating the objection. An individual can submit information that would change the rate by more than 50 cents. He said they wanted to clarify when the Labor Commissioner must hold a hearing. He said if the Labor Commissioner could fix the objection through administrative processes, he did not have to hold a hearing.

Mr. Daly continued his discussion of the amendment. He said page 4, section 2, [Exhibit H](#), was narrowly written to only include the survey process and the determination. He said the *Littlefield* decision froze in time what was in place from the subclassifications in the survey. He said if someone added a category to one of their subclassification agreements, the Labor Commissioner could choose to recognize it. He said in Humboldt County, the unions did not prevail the year *Littlefield* was determined, and none of the labor subcategories were



recognized. The amendment allowed for adjustments in the subcategories, [Exhibit H](#). He said the bill reflected the current process and should be enacted.

Senator Raggio asked Mr. Daly if the bill put into statute the regulations or policies already implemented.

Mr. Daly said some of it was in regulation. The broad class of workmen was not in regulation and had been done by tradition. He said they did not want to survey for every task performed by a specific workman. The broad categories prevailed. He said it put the current process into statute.

Senator Raggio asked if there was anything in the proposed amendment that was new and had an impact on increasing the cost of prevailing wage.

Mr. Daly said the only thing new was the recognition of the economic conditions. He said zone rates were already recognized. He said if the union rate prevailed, they recognized the zone rates for traveling. He said wage increases would go into effect October 1; increases were recognized and not a change. The other economic conditions proposed in the amendment were for overtime, weekends and holidays or for shift differential.

Senator Raggio referred to page 3, line 29 of the amendment, [Exhibit H](#). He asked if those were new factors not now considered.

Mr. Daly replied subsection 8, paragraph (a), subparagraph (2), sub-subparagraph (II), line 39 referred to the shift differential recognized for the operating engineers but no other craft. It said it would only have a cost impact if multiple shifts were run. He said overtime was not recognized.

John Madole, Executive Director, Associated General Contractors of America, Inc., Nevada Chapter, said his organization supported S.B. 376. He said he had a proposed amendment ([Exhibit I](#)). He returned the original language on page 1, section 1, subsection 2 of S.B. 376. He said he did not want to change the subsistence and travel pay already in the agreement.

Senator Raggio asked Mr. Madole which two issues were reflected in his proposed amendment.

Mr. Madole replied the issues were the shift differential and the overtime pay on weekends and holidays.

Dylan T. Shaver, Southern Nevada Building and Construction Trades Council, International Brotherhood of Electrical Workers (IBEW), Local 357, said they were in support of S.B. 376. He said they had a concern about outside electrical workers, linemen, groundmen and operators who did electrical grid and line work and were left out of the craft classifications. He submitted a short amendment ([Exhibit J](#)). He said IBEW Local 357 had seen the letter from the National Lightning Protection Corporation ([Exhibit K](#)) that raised some concerns. He said they agreed with Mr. Daley the law should not reference specific tasks, and that appeared to be the request submitted, [Exhibit K](#).

John H. Seymour, Business Manager, International Brotherhood of Electrical Workers, Local 401, was in favor of S.B. 376. He said they had a concern about making sure linemen and groundmen were included. He said they were concerned it would be proposed as an amendment by the Labor Commissioner with the lightning protection specialists added. He said that was not a classification at this time. There were provisions to create a new classification, and he said it was the wrong time to tack this classification onto the legislation. He said the company that brought the suggestion forward was from Denver, Colorado, and they were trying to amend the prevailing wage. He said grounding and lightning protection had been done by electricians throughout the State and was under the National Electrical Code. He said all the training facilities taught grounding.

Chair Lee asked Mr. Madole why the Committee needed to see a complete list of every trade in construction. He said putting it into statute meant it was constantly returning to the Legislature while regulations allowed them to work with the Labor Commissioner.

Mr. Madole said after seeing the court case with the 470 pages of regulations, he was comfortable with the bill.

Chair Lee asked why their opinion was changed from regulations to statute by the court decision.

Mr. Madole said if in two years it was a bigger problem than anticipated, they could go back to regulations. He anticipated it would not be a problem.

Senator Care said the draft regulations from the *Littlefield* case were enormous.

Ernest E. Adler, former Senator, International Brotherhood of Electrical Workers, Local 1245, supported the bill. However, electrical linemen, groundmen and operators were omitted in the bill. He said they should be placed in S.B. 376. He said other subcategories could be defined under the general categories in addition to what was in the bill.

Paul McKenzie, Executive Secretary-Treasurer, Building and Construction Trades Council of Northern Nevada, AFL-CIO, said the language was bounced around among the trades. He said the construction trades were concerned about the regulations and flexibility as the industry changed. He said there was a relationship between contractors and the labor unions when new technology occurred. He said a classification and appropriate wage rate was determined. He said when a collective bargaining agreement was submitted with the prevailing wage survey, under the legislation, the Labor Commissioner could use the wage as already vetted in the field. He said in the regulation process, the wage would have to have been discussed in hearings without the equipment ever on the job. He said S.B. 376 allowed flexibility to continue the way it had in the past. The broad classifications in law gave the Labor Commissioner the opportunity for the industry to survey and do the breakdown for the classifications. He said it was not always for the expansion of classifications, it also removed them. The last survey with the Operating Engineers removed several classifications from the collective bargaining agreement that were no longer used in the industry.

Mr. McKenzie said weekend and holiday pay was only paid if the person worked on Sunday or a holiday. He said if someone worked six days straight, he received overtime on Saturday. An extra cost would occur on a project if the person worked on Sunday or on a holiday. He said most jobs for the Nevada Department of Transportation (NDOT) did not allow for working on holidays or Sundays. He said there was not an increase in cost to projects based on S.B. 376.

Randy A. Soltero, Government Affairs Political Action Committee, Sheet Metal Workers, Local 88; Sheet Metal Workers, Local 26, said they strongly supported S.B. 376, Proposed Amendment 3799 in [Exhibit H](#), and the proposed amendment supporting the electricians and the linemen in [Exhibit I](#).

Danny J. Costella, Ironworkers Business Representative, Ironworkers Local 118, supported S.B. 376.

Patrick T. Sanderson, Laborers Local 872, said S.B. 376 was a commonsense bill. He believed the bill would help every contractor, union or nonunion. He reiterated his support for the bill.

Wes Henderson, Government Affairs Coordinator, Nevada Association of Counties, said his organization was neutral on S.B. 376. They had a concern about language in the amendment referencing union rates in the county or State automatically becoming the prevailing wage rate.

Tray Abney, Director, Government Relations, Reno-Sparks Chamber of Commerce, voiced his opposition to the bill. He said the Chamber of Commerce stated opposition to prevailing wage laws. He said a reform introduced on the Assembly side had to do with S.B. 376 in regard to public and private construction projects used in surveys to determine prevailing wage. He said Assembly Bill 298 specified only private projects be used in those surveys. He said public construction project wages were already at the prevailing wage rate; it did not make sense to use the prevailing wage rate in the formula. He said it inflated the rate even more.

[ASSEMBLY BILL 298](#): Revises provisions relating to public works. (BDR 28-587)

Chair Lee asked Mr. Abney about the failure of people responding to the wage report. He said it made it difficult for the Labor Commissioner to make good decisions. He said it was mandatory the unions supply information.

Mr. Abney said several contractors did not fill out the surveys. He said it was their responsibility to do so. His organization was willing to work with contractors' groups to disseminate the information. The surveys needed to be completed by everyone who received them.

Michael Tanchek, State Labor Commissioner, Department of Business and Industry, said his position on S.B. 376 was neutral. He recommended the problem be resolved at the regulatory level rather than statutorily. He offered a proposed language alternative for rule-making ([Exhibit L](#)).

Mr. Tanchek said the VFC lightning protection company asked him for a new classification for lightning protection technician. He said if new classifications in Nevada were to be established by statute rather than at the regulatory level, requesters needed to submit their information to the Committee. He said they submitted a letter to the Committee ([Exhibit M](#)). Mr. Tanchek said when the *Littlefield* decision occurred, several trades asked for separate classifications. Mr. Tanchek said they had to bring their requests to the Committee. He said he agreed with Mr. Daly.

Mr. Tanchek offered a history lesson to the Committee. He referred to a case several years ago which removed a classification from the list. It created a case where the court said a classification could not be removed in the course of a contested case. The court said the prevailing wage list directed employers to pay the prevailing wage to employees performing certain types of work. The lists were therefore a regulation. He said the proposed regulations were over 400 pages of classifications. He said the list was never adopted. He said the sample for Carson City of job classifications was 175 pages long. Mr. Tanchek referred to a sample submitted to the Committee entitled Craft Classifications ([Exhibit N](#)). He said they surveyed for this and had dollar amounts for each of the 38 classifications.

Mr. Tanchek offered an exhibit entitled LCB File No. R128-07 ([Exhibit O](#)). He said it was a sample of the prevailing wage rates in effect for Carson City. He said there were additional sets for every county in the State. He said the Craft Classifications, [Exhibit N](#), was 1 page while the wage rate tables for Carson City were 11 pages, [Exhibit O](#). He said they surveyed for the initial group, and if collective bargaining prevailed, they added the individual classifications. He said it was best handled in regulation rather than by the Legislature.

Chair Lee referred to the amendment submitted by Mr. Tanchek, [Exhibit L](#). He said if it was not in statute, it offered a judge the opportunity to negate the regulations. He asked why it should still be in regulations.

Mr. Tanchek said a judge did not say it should be put in statute. He said the Nevada Supreme Court said it was a regulation. He said the problem was no underlying regulation. The classifications had never been adopted in regulations.

Senator Horsford asked Mr. Tanchek if he could conduct the survey and make prevailing wage determinations if S.B. 376 moved forward.

Mr. Tanchek said Senator Horsford was correct. He said he made a recommendation and had no opposition to the bill. He said they did not need 179 pages of classifications or a 179-page survey.

Mr. Daly said the nonresidential construction definition stated the Labor Commissioner shall survey for work performed in the county. He said it was one of the things done by tradition. He said if nonresidential was added to the regulations, it had to be defined. He said the category of linemen, groundmen, and operator was traditionally in the survey. He said they survey for classes of workmen. They do not survey for classifications of specific tasks. He said if the survey was in statute, it eliminated the *Littlefield* decision. He said the 38 categories represented in [Exhibit N](#) had been in existence for many years. He said there was some consolidation in classifications in the proposed amendment to S.B. 376, [Exhibit H](#). The legislation would solidify, codify and reduce the risk of future lawsuits. Finally, Mr. Daly said some overlapping jurisdictions had always been in the agreements. He said the Labor Commissioner would continue to have the right to say what wage rate should be paid. Mr. Daly said the Labor Commissioner would not have this year's survey completed by July 1. He said the date for the effect of S.B. 376 needed to be for the survey in 2010-2011.

Chair Lee asked about terrazzo workers on the Craft Classifications, [Exhibit N](#). He asked if that person was phased out, would they have to ask the Legislature to eliminate that classification.

Mr. Daly said tile/terrazzo worker and marble mason were all titles for similar jobs. He said the classification could have just said tile setter and they would have surveyed for all the people under that class code.

Chair Lee closed the hearing on S.B. 376 and opened the hearing on S.B. 377.

**SENATE BILL 377**: Makes various changes relating to public works. (BDR 28-729)

Mr. Daly said there were some concerns about S.B. 377. He said the bill was intended to require public bodies to bid construction work under NRS 338. He said they proposed deleting section 2 and section 7 in S.B. 377 which pertained to the NDOT ([Exhibit P](#)). He said section 8 in the proposed amendment, [Exhibit P](#), amended NRS 408.367 in order to streamline the bidding process on

smaller NDOT jobs. He said it resulted from discussions with NDOT. Mr. Daly said section 1 of the bill required a public body to bid out any work that, if performed by a private entity, required licensing under NRS 624 in order to perform the work. He said public bodies were performing construction work and claiming an exemption to NRS 338 as a "normal operation" or "normal maintenance" of the property.

Mr. Daly said S.B. 377 clarified conflicts in certain statutes. Provisions in NRS required if a contract or project was over \$100,000, it had to be bid publicly with notifications. He said the bids could be rejected and the job self-performed, but a statement needed to be submitted as to why the project was self-performed. If the project was over \$25,000 but under \$100,000, it still had to be bid, but bids needed to be solicited from only three qualified contractors. He said if the public work was under \$25,000, a bid needed to be solicited from one contractor. He said it appeared public bodies were self-performing projects and not asking for any bids. He said they were not qualified for an exemption under section 1 of S.B. 377. Self-performed construction work was not a contract. In sections 3 through 6, the exemption to bid public works projects for normal maintenance of property of a school district was meant to be deleted. He said it was an omission from Legislative Counsel Bureau. Mr. Daly said school districts were big offenders of self-performing construction. He said another part of sections 3 through 6 went to public water authorities and utility companies. He said they were performing work with their own employees. He objected only when it infringed on other trades. When the company bid the work out to a contractor and claimed an exemption from prevailing wage, they objected.

Richard J. Nelson, P.E., Assistant Director, Operations, Nevada Department of Transportation, said they worked on the issue and Proposed Amendment 3899, [Exhibit P](#), gave the flexibility they needed to study the issue, review the appropriateness of performing and contracting out for the work. He said section 8 of [Exhibit P](#) was a help for them. He referenced section 8, subsection 6 which discussed mailing copies of bids. He suggested there were other ways to communicate with contractors. He preferred the word "contacting" contractors as opposed to "mailing" a copy of the bid solicitation.

Danny N. Coyle, Retiree Vice President, American Federation of State, County and Municipal Employees, AFL-CIO, Local 4041, said sections 2 and 7 of S.B. 377 caused concerns for the local crafts. He said they agreed to Proposed



Amendment 3899, [Exhibit P](#). He said eliminating sections 2 and 7 and adding the new section 8 satisfied their requirements.

Rob Potter, Employee/Steward, Nevada Department of Transportation; American Federation of State, County and Municipal Employees, AFL-CIO, said he was pleased with the bill as written with Proposed Amendment 3899 in [Exhibit P](#). He said S.B. 377 would help NDOT, specifically section 8. He said the opportunity to solicit bids rather than advertising would make his operation flow more smoothly and efficiently.

Matt Leck, Assistant Management Analyst, Las Vegas Valley Water District, Southern Nevada Water Authority, testified in opposition to S.B. 377 as written. He said he had a problem with section 1, subsection 1 of the bill. He said a project they routinely performed needed to be as efficient as possible. He was unclear as to what the language change attempted to do in S.B. 377. He asked if it limited their ability to provide routine maintenance from anyone who was licensed. Section 3 of S.B. 377 was also troublesome for them. He said an exemption in the NRS did not apply to general improvement districts, utilities by local government, Las Vegas Valley Water District, Moapa Valley Water District and the Virgin Valley Water District. He said those provisions allowed them to do routine work. He said a local government might already have the ability to do the routine maintenance. He said his organization was in a unique area. For the most part, their projects were put out to bid. The special exceptions were what concerned them. He offered an example concerning solar panels. He said they could perform routine maintenance on those panels. He said the current language in S.B. 377 restricted them from doing the maintenance. He said he wished to work with the sponsor of the bill.

David N. Bowers, Assistant City Engineer, Department of Public Works, Las Vegas, said he had a concern on section 1 of S.B. 377. He said it appeared to eliminate nearly all maintenance work. The definitions were too broad, and they wanted to work with the sponsor of the bill.

Mr. Madole supported Mr. Nelson and Mr. Daley in regard to S.B. 377.

Steve Teshara spoke as a citizen about his concerns with S.B. 377. He said the amendments appeared to make the bill better. He dealt with NDOT maintenance people and did not want them displaced from their jobs ([Exhibit Q](#)).



Randy Robison, Virgin Valley Water District, said Mr. Leck outlined their concerns. He was concerned about the removal of exemptions in section 3, subsection 9 (c), lines 21 through 27. He did not understand what S.B. 377 was trying to address. It appeared to limit the flexibility to do normal maintenance work to keep the operations of the District going.

Nicole Rourke, Director of Intergovernmental Relations, Clark County School District, said they were neutral on the bill. They needed time to review S.B. 377 and the amendments.

Ann Loring, Washoe County School District, appreciated notification of Proposed Amendment 3899, [Exhibit P](#). She said she needed further input from the School District regarding S.B. 377.

Chair Lee said the Committee would not meet next Thursday or Friday. He offered his office for discussions among the groups. Chair Lee adjourned the meeting at 2:26 p.m.

RESPECTFULLY SUBMITTED:

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Olivia Lodato,  
Committee Secretary

APPROVED BY:

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Senator John J. Lee, Chair

DATE: \_\_\_\_\_