

SENATE BILL NO. 142—SENATORS JONES, ATKINSON, SEGERBLOM, HAMMOND, SPEARMAN; DENIS, FORD, HARDY, HUTCHISON, KIECKHEFER, KIHUEN, MANENDO, PARKS, SETTELMAYER AND WOODHOUSE

FEBRUARY 18, 2013

JOINT SPONSORS: ASSEMBLYMEN ELLIOT ANDERSON, BOBZIEN, AIZLEY; DALY, ELLISON, FIORE, HARDY, KIRKPATRICK AND OHRENSCHALL

Referred to Committee on Government Affairs

SUMMARY—Makes various changes to provisions governing local government contracting. (BDR 27-676)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

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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 local governments; revising provisions governing contracting by school districts; revising provisions governing performance contracts for operating cost-savings measures; requiring the Office of Energy to provide local governments with information, educational resources and support relating to such performance contracts; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes local governments, including school districts, to enter into performance contracts for the purchase and installation of operating cost-savings measures to reduce costs related to energy, water and the disposal of waste, and related labor costs. (NRS 332.300-332.440) **Section 2** of this bill provides, with limited exceptions, that before the board of trustees of a school district advertises for, requests or solicits bids or proposals for certain contracts for which the estimated cost exceeds \$100,000, the board of trustees or its designee shall evaluate whether the work to be performed pursuant to the contract will include certain operating cost-savings measures and qualifies to be performed pursuant to a performance contract. **Section 2** also requires the board of trustees to report on the evaluation at its next regularly scheduled meeting.



Section 3 of this bill requires the Office of Energy to: (1) provide local governments with information, educational resources and support relating to operating cost-savings measures and performance contracts; and (2) include on the Internet website maintained by the Office, if any, information and educational resources relating to operating cost-savings measures and performance contracts.

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

Section 1. Chapter 332 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this act.

Sec. 2. 1. *Except as otherwise provided in subsection 3, before the board of trustees of a school district advertises for, requests or solicits bids or proposals for a contract relating to work to be performed on a building for which the estimated cost exceeds \$100,000, the board of trustees or its designee shall evaluate whether the work to be performed pursuant to the contract:*

(a) Will include an operating cost-savings measure; and

(b) Qualifies to be performed pursuant to a performance contract.

2. If the evaluation performed pursuant to subsection 1 indicates that the work to be performed will include an operating cost-savings measure and qualifies to be performed pursuant to a performance contract, the board of trustees shall report on the evaluation at the next regularly scheduled meeting of the board of trustees. If the board of trustees determines not to award a performance contract for the work, the board of trustees shall state the reasons for that determination on the record at the meeting and those reasons must be included in the minutes of the meeting.

3. The provisions of this section do not apply if the board of trustees has performed a comprehensive audit and assessment of all potential operating cost-savings measures that might be implemented within the buildings of the school district within the immediately preceding 7 years and a report of the audit and assessment is available on the Internet website, if any, of the school district.

4. As used in this section, "operating cost-savings measure" means an investment in equipment, products and materials, and strategies for building operation, or any combination thereof, designed to reduce energy and other utility expenses, including, without limitation:

(a) Costs for materials and labor required to replace old equipment with new, more efficient equipment.



(b) Storm windows or doors, caulking or weather stripping, multiglazed windows or doors, heat-absorbing or heat-reflective glazed or coated windows or doors, reductions in glass area, and other modifications to windows and doors that will reduce energy consumption.

(c) Automated or computerized energy control systems.

(d) Replacement of, or modifications to, heating, ventilation or air-conditioning systems.

(e) Replacement of, or modifications to, lighting fixtures.

(f) Improvements to the indoor air quality of a building that conform to all requirements of an applicable building code.

(g) Energy recovery systems.

(h) Systems for combined cooling, heating and power that produce steam or other forms of energy, for use primarily within the building or a complex of buildings.

(i) Installation of, or modifications to, existing systems for daylighting, including lighting control systems.

(j) Installation of, or modification to, technologies that use renewable or alternative energy sources.

(k) Programs relating to building operation that reduce operating costs, including, without limitation, computerized programs, training and other similar activities.

(l) Programs for improvement of steam traps to reduce operating costs.

(m) Devices that reduce water consumption in buildings, for lawns and for other irrigation applications.

(n) Trash compaction and waste minimization.

(o) Ground source systems for heating and cooling.

Sec. 3. The Office of Energy shall:

1. Provide to local governments information, educational resources and support relating to operating cost-savings measures and performance contracts.

2. Include on the Internet website maintained by the Office, if any, information and educational resources relating to operating cost-savings measures and performance contracts.

Sec. 4. NRS 332.300 is hereby amended to read as follows:

332.300 As used in NRS 332.300 to 332.440, inclusive, *and sections 2 and 3 of this act*, unless the context otherwise requires, the words and terms defined in NRS 332.310 to 332.350, inclusive, have the meanings ascribed to them in those sections.

Sec. 5. This act becomes effective on July 1, 2013.

