

CHAPTER.....

AN ACT relating to improvement districts; revising provisions governing the merger, consolidation or dissolution of certain general improvement districts; repealing the Nevada Improvement District Act; creating the Douglas County Lake Tahoe Sewer Authority and its governing Board of Trustees; setting forth the powers and duties of and procedures governing the Authority and the Board; abolishing Douglas County Sewer Improvement District No. 1; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Chapter 309 of NRS, the Nevada Improvement District Act, authorizes the creation and governs the management of a local improvement district for the construction of a power plant and the distribution of energy therefrom or the construction of a sewer system or the construction or acquisition of a water system. (Chapter 309 of NRS) In 1967, the Nevada Legislature eliminated the authority to create such a district. (NRS 309.025) The only local improvement district currently in existence which is organized pursuant to the Nevada Improvement District Act is Douglas County Sewer Improvement District No. 1. **Section 36** of this bill repeals the Nevada Improvement District Act. **Sections 1-5 and 7-11** of this bill make conforming changes. **Section 35** of this bill abolishes Douglas County Sewer Improvement District No. 1. **Section 6** of this bill makes a conforming change.

Sections 12-34 of this bill establish the Douglas County Lake Tahoe Sewer Authority Act, which creates the Douglas County Lake Tahoe Sewer Authority for the purpose of furnishing certain residents of this State with an adequate system of sewage collection and treatment and disposal of wastewater. **Section 23** of this bill exempts certain property of the Authority from state, county and municipal taxation. **Section 24** of this bill authorizes the Authority to enter into certain interlocal cooperative agreements with general improvement districts, and authorizes a general improvement district which is party to such an agreement to authorize the Authority to exercise powers, privileges and authority belonging to the general improvement district. **Section 25** of this bill provides that the Authority is a public employer, subject to certain provisions governing retirement for public employees.

Section 26 of this bill creates and provides for the appointment of a Board of Trustees which is charged with directing and governing the Authority. **Section 27** of this bill requires each trustee on the Board to file an oath of office and a bond. **Sections 28 and 29** of this bill set forth provisions governing the procedures and duties of the Board.

Sections 30 and 31 of this bill set forth the powers of the Authority and the Board. **Section 32** of this bill requires the Board to adopt an ordinance governing the financing of the Authority. **Section 33** of this bill exempts the Authority from regulation by the Public Utilities Commission of Nevada. **Section 33.5** of this bill requires approval from the Board and a majority of the owners of property located within the boundaries of the service area of the Authority before the Authority is authorized to merge or consolidate with a general improvement district.



Section 34 of this bill directs the Douglas County Lake Tahoe Sewer Authority to assume the debts, obligations, liabilities and assets of Douglas County Sewer Improvement District No. 1.

Under existing law, if a majority of the members of the board of county commissioners of a county deems it to be in the best interest of the county and of a general improvement district that was exercising three specified powers on October 1, 2005, related to sanitary sewer improvements, the collection and disposal of garbage or refuse and the supply, storage and distribution of water that the district be merged, consolidated or dissolved, the board of county commissioners is required to submit the question of the merger, consolidation or dissolution to the board of trustees of the district. If the board of trustees of the district does not agree to the merger, consolidation or dissolution within 90 days after the submission of the question to the board of trustees, existing law prohibits the merger, consolidation or dissolution of the district. (NRS 318.490) **Section 3** of this bill requires the submission of the question of merger, consolidation or dissolution to the board of trustees of a district that has annual revenues of more than \$1,000,000 and was exercising any of those three specified powers on October 1, 2005.

EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

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

Section 1. NRS 308.020 is hereby amended to read as follows:
308.020 1. The Special District Control Law applies to:

(a) Any special district whose formation is initiated by a board of county commissioners; and

(b) Any petition for the formation of any proposed special district filed with any board of county commissioners.

2. As used in this chapter “special district” means any water district, sanitation district, water and sanitation district, municipal power district, mosquito abatement district, public cemetery district, swimming pool district, television maintenance district, weed control district, general improvement district, or any other quasi-municipal corporation organized under the local improvement and service district laws of this state as enumerated in title 25 of NRS, but excludes ~~†~~:

~~—(a) All local improvement districts created pursuant to chapter 309 of NRS; and~~

~~—(b) All~~ *all* housing authorities.

Sec. 2. NRS 318.0954 is hereby amended to read as follows:

318.0954 1. The governing body of any district organized or reorganized under and operating as provided in any chapter in title 25 of NRS, excluding chapters ~~309,~~ 315 and 318 of NRS, must be designated a board of trustees and shall reorganize as provided in



this section so that after the transitional period the board consists of five qualified electors from time to time chosen as provided in NRS 318.095 and other provisions of this chapter supplemental thereto.

2. No existing member of any such governing body may be required to resign from the board before the termination of his or her current term of office in the absence of any disqualification as a member of the governing body under such chapter in title 25 of NRS, excluding chapters ~~309, 315~~ and 318 of NRS. If a regular term of office of any member of any such governing body would terminate on other than the first Monday of January next following a biennial election in the absence of the adoption of this law, the term must be extended to and terminate on the first Monday in January next following a biennial election and following the date on which the term would have ended.

3. If the members of any such governing body at any time number less than five, the number of trustees must be increased to five by appointment, or by both appointment and election, as provided in NRS 318.090, 318.095 and 318.0951.

4. In no event may any successor trustee be elected or appointed to fill any purported vacancy in any unexpired term or in any regular term which successor will increase the trustees on a board to a number exceeding five nor which will result in less than two regular terms of office or more than three regular terms of office ending on the first Monday in January next following any biennial election.

5. Nothing in this section:

(a) Prevents the reorganization of a board by division of the district into district trustee election districts pursuant to NRS 318.0952.

(b) Supersedes the provisions of NRS 318.0953 or 318.09533.

Sec. 3. NRS 318.490 is hereby amended to read as follows:

318.490 1. Except as otherwise provided in NRS 318.492, whenever a majority of the members of the board of county commissioners of any county deem it to be in the best interests of the county and of the district that the district be merged, consolidated or dissolved, or if the board of trustees of a district, by resolution pursuant to subsection 3, agrees to such a merger, consolidation or dissolution, the board of county commissioners shall so determine by ordinance, after there is first found, determined and recited in the ordinance that:

(a) All outstanding indebtedness and bonds of all kinds of the district have been paid or will be assumed by the resulting merged or consolidated unit of government.



(b) The services of the district are no longer needed or can be more effectively performed by an existing unit of government.

2. The county clerk shall thereupon certify a copy of the ordinance to the board of trustees of the district and shall mail written notice to all property owners within the district in the county, containing the following:

(a) The adoption of the ordinance;

(b) The determination of the board of county commissioners that the district should be dissolved, merged or consolidated; and

(c) The time and place for hearing on the dissolution, merger or consolidation.

3. If a majority of the members of the board of county commissioners of a county deems it to be in the best interests of the county and of a district *with annual revenues of more than \$1,000,000* that was, on October 1, 2005, exercising powers pursuant to NRS 318.140, 318.142 ~~and~~ *or* 318.144, that the district be merged, consolidated or dissolved, the board of county commissioners shall submit the question of the merger, consolidation or dissolution to the board of trustees of the district. If the board of trustees of the district, by resolution, does not agree to the merger, consolidation or dissolution within 90 days after the question was submitted to it, the district may not be merged, consolidated or dissolved.

Sec. 4. NRS 318.525 is hereby amended to read as follows:

318.525 1. Chapter 542, Statutes of Nevada 1967, does not affect the corporate existence nor the area included within the boundaries of any district organized or reorganized before May 1, 1967, under any chapter in title 25 of NRS, but the governing body of any such district (excluding any ~~local improvement district organized or reorganized under the provisions of chapter 309 of NRS, any~~ housing authority or other municipal corporation subject to the provisions of chapter 315 of NRS, and excluding any district organized or reorganized before May 1, 1967, under and already subject to the provisions of this chapter 318 of NRS) shall reorganize as provided in this chapter as amended by chapter 542, Statutes of Nevada 1967.

2. Any district organized or reorganized before May 1, 1967, under and exercising powers as provided in any chapter in title 25 of NRS (excluding chapters ~~309,~~ 315 and 318 of NRS) shall operate under and exercise powers pertaining to each basic power for which the district is organized or reorganized as provided in chapter 318 of NRS, including without limitation the provisions of the Special



District Control Law to the extent it is applicable by the terms thereof.

Sec. 5. NRS 226.110 is hereby amended to read as follows:

226.110 The State Treasurer:

1. Shall receive and keep all money of the State which is not expressly required by law to be received and kept by some other person.

2. Shall receipt to the State Controller for all money received, from whatever source, at the time of receiving it.

3. Shall establish the policies to be followed in the investment of money of the State, subject to the periodic review and approval or disapproval of those policies by the State Board of Finance.

4. May employ any necessary investment and financial advisers to render advice and other services in connection with the investment of money of the State.

5. Shall disburse the public money upon warrants drawn upon the Treasury by the State Controller, and not otherwise. The warrants must be registered and paid in the order of their registry. The State Treasurer may use any sampling or postaudit technique, or both, which he or she considers reasonable to verify the proper distribution of warrants.

6. Shall keep a just, true and comprehensive account of all money received and disbursed.

7. Shall deliver in good order to his or her successor in office all money, records, books, papers and other things belonging to his or her office.

8. Shall fix, charge and collect reasonable fees for:

(a) Investing the money in any fund or account which is credited for interest earned on money deposited in it; and

(b) Special services rendered to other state agencies or to members of the public which increase the cost of operating his or her office.

9. Serves as the primary representative of the State in matters concerning any nationally recognized bond credit rating agency for the purposes of the issuance of any obligation authorized on the behalf and in the name of the State, except as otherwise provided in NRS 538.206 and except for those obligations issued pursuant to chapter 319 of NRS and NRS 349.400 to 349.987, inclusive.

10. Is directly responsible for the issuance of any obligation authorized on the behalf and in the name of the State, except as otherwise provided in NRS 538.206 and except for those obligations issued pursuant to chapter 319 of NRS and NRS 349.400 to 349.987, inclusive. The State Treasurer:



(a) Shall issue such an obligation as soon as practicable after receiving a request from a state agency for the issuance of the obligation.

(b) May, except as otherwise provided in NRS 538.206, employ necessary legal, financial or other professional services in connection with the authorization, sale or issuance of such an obligation.

11. May organize and facilitate statewide pooled financing programs, including lease purchases, for the benefit of the State and any political subdivision, including districts organized pursuant to NRS 450.550 to 450.750, inclusive, and chapters 244A, ~~309~~, 318, 379, 474, 541, 543 and 555 of NRS.

12. Shall serve as the Administrator of Unclaimed Property.

Sec. 6. NRS 277.200 is hereby amended to read as follows:

277.200 The Tahoe Regional Planning Compact is as follows:

Tahoe Regional Planning Compact

ARTICLE I. Findings and Declarations of Policy

(a) It is found and declared that:

(1) The waters of Lake Tahoe and other resources of the region are threatened with deterioration or degeneration, which endangers the natural beauty and economic productivity of the region.

(2) The public and private interests and investments in the region are substantial.

(3) The region exhibits unique environmental and ecological values which are irreplaceable.

(4) By virtue of the special conditions and circumstances of the region's natural ecology, developmental pattern, population distribution and human needs, the region is experiencing problems of resource use and deficiencies of environmental control.

(5) Increasing urbanization is threatening the ecological values of the region and threatening the public opportunities for use of the public lands.

(6) Maintenance of the social and economic health of the region depends on maintaining the significant scenic, recreational, educational, scientific, natural and public health values provided by the Lake Tahoe Basin.

(7) There is a public interest in protecting, preserving and enhancing these values for the residents of the region and for visitors to the region.



(8) Responsibilities for providing recreational and scientific opportunities, preserving scenic and natural areas, and safeguarding the public who live, work and play in or visit the region are divided among local governments, regional agencies, the states of California and Nevada, and the Federal Government.

(9) In recognition of the public investment and multistate and national significance of the recreational values, the Federal Government has an interest in the acquisition of recreational property and the management of resources in the region to preserve environmental and recreational values, and the Federal Government should assist the states in fulfilling their responsibilities.

(10) In order to preserve the scenic beauty and outdoor recreational opportunities of the region, there is a need to insure an equilibrium between the region's natural endowment and its man-made environment.

(b) In order to enhance the efficiency and governmental effectiveness of the region, it is imperative that there be established a Tahoe Regional Planning Agency with the powers conferred by this compact including the power to establish environmental threshold carrying capacities and to adopt and enforce a regional plan and implementing ordinances which will achieve and maintain such capacities while providing opportunities for orderly growth and development consistent with such capacities.

(c) The Tahoe Regional Planning Agency shall interpret and administer its plans, ordinances, rules and regulations in accordance with the provisions of this compact.

ARTICLE II. Definitions

As used in this compact:

(a) "Region," includes Lake Tahoe, the adjacent parts of Douglas and Washoe counties and Carson City, which for the purposes of this compact shall be deemed a county, lying within the Tahoe Basin in the State of Nevada, and the adjacent parts of the Counties of Placer and El Dorado lying within the Tahoe Basin in the State of California, and that additional and adjacent part of the County of Placer outside of the Tahoe Basin in the State of California which lies southward and eastward of a line starting at the intersection of the basin crestline and the north boundary of Section 1, thence west to the northwest corner of Section 3, thence south to the intersection of the basin crestline and the west boundary of Section 10; all sections referring to Township 15 North, Range 16



East, M.D.B. & M. The region defined and described herein shall be as precisely delineated on official maps of the agency.

(b) “Agency” means the Tahoe Regional Planning Agency.

(c) “Governing body” means the governing board of the Tahoe Regional Planning Agency.

(d) “Regional plan” means the long-term general plan for the development of the region.

(e) “Planning commission” means the advisory planning commission appointed pursuant to subdivision (h) of Article III.

(f) “Gaming” means to deal, operate, carry on, conduct, maintain or expose for play any banking or percentage game played with cards, dice or any mechanical device or machine for money, property, checks, credit or any representative of value, including, without limiting the generality of the foregoing, faro, monte, roulette, keno, bingo, fantan, twenty-one, blackjack, seven-and-a-half, big injun, klondike, craps, stud poker, draw poker or slot machine, but does not include social games played solely for drinks, or cigars or cigarettes served individually, games played in private homes or residences for prizes or games operated by charitable or educational organizations, to the extent excluded by applicable state law.

(g) “Restricted gaming license” means a license to operate not more than 15 slot machines on which a quarterly fee is charged pursuant to NRS 463.373 and no other games.

(h) “Project” means an activity undertaken by any person, including any public agency, if the activity may substantially affect the land, water, air, space or any other natural resources of the region.

(i) “Environmental threshold carrying capacity” means an environmental standard necessary to maintain a significant scenic, recreational, educational, scientific or natural value of the region or to maintain public health and safety within the region. Such standards shall include but not be limited to standards for air quality, water quality, soil conservation, vegetation preservation and noise.

(j) “Feasible” means capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social and technological factors.

(k) “Areas open to public use” means all of the areas within a structure housing gaming under a nonrestricted license except areas devoted to the private use of guests.

(l) “Areas devoted to private use of guests” means hotel rooms and hallways to serve hotel room areas, and any parking areas. A



hallway serves hotel room areas if more than 50 percent of the areas on each side of the hallway are hotel rooms.

(m) “Nonrestricted license” means a gaming license which is not a restricted gaming license.

ARTICLE III. Organization

(a) There is created the Tahoe Regional Planning Agency as a separate legal entity.

The governing body of the agency shall be constituted as follows:

(1) California delegation:

(A) One member appointed by each of the County Boards of Supervisors of the Counties of El Dorado and Placer and one member appointed by the City Council of the City of South Lake Tahoe. Any such member may be a member of the county board of supervisors or city council, respectively, and shall reside in the territorial jurisdiction of the governmental body making the appointment.

(B) Two members appointed by the Governor of California, one member appointed by the Speaker of the Assembly of California and one member appointed by the Senate Rules Committee of the State of California. The members appointed pursuant to this subparagraph shall not be residents of the region and shall represent the public at large within the State of California.

(2) Nevada delegation:

(A) One member appointed by each of the boards of county commissioners of Douglas and Washoe counties and one member appointed by the board of supervisors of Carson City. Any such member may be a member of the board of county commissioners or board of supervisors, respectively, and shall reside in the territorial jurisdiction of the governmental body making the appointment.

(B) One member appointed by the governor of Nevada, the secretary of state of Nevada or his designee, and the director of the state department of conservation and natural resources of Nevada or his designee. Except for the secretary of state and the director of the state department of conservation and natural resources, the members or designees appointed pursuant to this subparagraph shall not be residents of the region. All members appointed pursuant to this subparagraph shall represent the public at large within the State of Nevada.

(C) One member appointed for a 1-year term by the six other members of the Nevada delegation. If at least four members of the



Nevada delegation are unable to agree upon the selection of a seventh member within 60 days after the effective date of the amendments to this compact or the occurrence of a vacancy on the governing body for that state the governor of the State of Nevada shall make such an appointment. The member appointed pursuant to this subparagraph may, but is not required to, be a resident of the region within the State of Nevada.

(3) If any appointing authority under paragraph (1)(A), (1)(B), (2)(A) or (2)(B) fails to make such an appointment within 60 days after the effective date of the amendments to this compact or the occurrence of a vacancy on the governing body, the governor of the state in which the appointing authority is located shall make the appointment. The term of any member so appointed shall be 1 year.

(4) The position of any member of the governing body shall be deemed vacant if such a member is absent from three consecutive meetings of the governing body in any calendar year.

(5) Each member and employee of the agency shall disclose his economic interests in the region within 10 days after taking his seat on the governing board or being employed by the agency and shall thereafter disclose any further economic interest which he acquires, as soon as feasible after he acquires it. As used in this paragraph, "economic interests" means:

(A) Any business entity operating in the region in which the member or employee has a direct or indirect investment worth more than \$1,000;

(B) Any real property located in the region in which the member or employee has a direct or indirect interest worth more than \$1,000;

(C) Any source of income attributable to activities in the region, other than loans by or deposits with a commercial lending institution in the regular course of business, aggregating \$250 or more in value received by or promised to the member within the preceding 12 months; or

(D) Any business entity operating in the region in which the member or employee is a director, officer, partner, trustee, employee or holds any position of management.

➔ No member or employee of the agency shall make, or attempt to influence, an agency decision in which he knows or has reason to know he has an economic interest. Members and employees of the agency must disqualify themselves from making or participating in the making of any decision of the agency when it is reasonably foreseeable that the decision will have a material financial effect, distinguishable from its effect on the public generally, on the economic interests of the member or employee.



(b) The members of the agency shall serve without compensation, but the expenses of each member shall be met by the body which he represents in accordance with the law of that body. All other expenses incurred by the governing body in the course of exercising the powers conferred upon it by this compact unless met in some other manner specifically provided, shall be paid by the agency out of its own funds.

(c) Except for the secretary of state and director of the state department of conservation and natural resources of Nevada and the member appointed pursuant to subdivision (a)(2)(C), the members of the governing body serve at the pleasure of the appointing authority in each case, but each appointment shall be reviewed no less often than every 4 years. Members may be reappointed.

(d) The governing body of the agency shall meet at least monthly. All meetings shall be open to the public to the extent required by the law of the State of California or the State of Nevada, whichever imposes the greater requirement, applicable to local governments at the time such meeting is held. The governing body shall fix a date for its regular monthly meeting in such terms as "the first Monday of each month," and shall not change such date more often than once in any calendar year. Notice of the date so fixed shall be given by publication at least once in a newspaper or combination of newspapers whose circulation is general throughout the region and in each county a portion of whose territory lies within the region. Notice of any special meeting, except an emergency meeting, shall be given by so publishing the date and place and posting an agenda at least 5 days prior to the meeting.

(e) The position of a member of the governing body shall be considered vacated upon his loss of any of the qualifications required for his appointment and in such event the appointing authority shall appoint a successor.

(f) The governing body shall elect from its own members a chairman and vice chairman, whose terms of office shall be 2 years, and who may be reelected. If a vacancy occurs in either office, the governing body may fill such vacancy for the unexpired term.

(g) Four of the members of the governing body from each state constitute a quorum for the transaction of the business of the agency. The voting procedures shall be as follows:

(1) For adopting, amending or repealing environmental threshold carrying capacities, the regional plan, and ordinances, rules and regulations, and for granting variances from the ordinances, rules and regulations, the vote of at least four of the members of each state agreeing with the vote of at least four



members of the other state shall be required to take action. If there is no vote of at least four of the members from one state agreeing with the vote of at least four of the members of the other state on the actions specified in this paragraph, an action of rejection shall be deemed to have been taken.

(2) For approving a project, the affirmative vote of at least five members from the state in which the project is located and the affirmative vote of at least nine members of the governing body are required. If at least five members of the governing body from the state in which the project is located and at least nine members of the entire governing body do not vote in favor of the project, upon a motion for approval, an action of rejection shall be deemed to have been taken. A decision by the agency to approve a project shall be supported by a statement of findings, adopted by the agency, which indicates that the project complies with the regional plan and with applicable ordinances, rules and regulations of the agency.

(3) For routine business and for directing the agency's staff on litigation and enforcement actions, at least eight members of the governing body must agree to take action. If at least eight votes in favor of such action are not cast, an action of rejection shall be deemed to have been taken.

➔ Whenever under the provisions of this compact or any ordinance, rule, regulation or policy adopted pursuant thereto, the agency is required to review or approve any project, public or private, the agency shall take final action by vote, whether to approve, to require modification or to reject such project, within 180 days after the application for such project is accepted as complete by the agency in compliance with the agency's rules and regulations governing such delivery unless the applicant has agreed to an extension of this time limit. If a final action by vote does not take place within 180 days, the applicant may bring an action in a court of competent jurisdiction to compel a vote unless he has agreed to an extension. This provision does not limit the right of any person to obtain judicial review of agency action under subdivision (h) of Article VI. The vote of each member of the governing body shall be individually recorded. The governing body shall adopt its own rules, regulations and procedures.

(h) An advisory planning commission shall be appointed by the agency. The commission shall include: the chief planning officers of Placer County, El Dorado County, and the City of South Lake Tahoe in California and of Douglas County, Washoe County and Carson City in Nevada, the executive officer of the Lahontan Regional Water Quality Control Board of the State of California, the



executive officer of the Air Resources Board of the State of California, the director of the state department of conservation and natural resources of the State of Nevada, the administrator of the division of environmental protection in the state department of conservation and natural resources of the State of Nevada, the administrator of the Lake Tahoe Management Unit of the United States Forest Service, and at least four lay members with an equal number from each state, at least half of whom shall be residents of the region. Any official member may designate an alternate.

The term of office of each lay member of the advisory planning commission shall be 2 years. Members may be reappointed.

The position of each member of the advisory planning commission shall be considered vacated upon loss of any of the qualifications required for appointment, and in such an event the appointing authority shall appoint a successor.

The advisory planning commission shall elect from its own members a chairman and a vice chairman, whose terms of office shall be 2 years and who may be reelected. If a vacancy occurs in either office, the advisory planning commission shall fill such vacancy for the unexpired term.

A majority of the members of the advisory planning commission constitutes a quorum for the transaction of the business of the commission. A majority vote of the quorum present shall be required to take action with respect to any matter.

(i) The agency shall establish and maintain an office within the region, and for this purpose the agency may rent or own property and equipment. Every plan, ordinance and other record of the agency which is of such nature as to constitute a public record under the law of either the State of California or the State of Nevada shall be open to inspection and copying during regular office hours.

(j) Each authority charged under this compact or by the law of either state with the duty of appointing a member of the governing body of the agency shall by certified copy of its resolution or other action notify the Secretary of State of its own state of the action taken.

ARTICLE IV. Personnel

(a) The governing body shall determine the qualification of, and it shall appoint and fix the salary of, the executive officer of the agency, and shall employ such other staff and legal counsel as may be necessary to execute the powers and functions provided for under



this compact or in accordance with any intergovernmental contracts or agreements the agency may be responsible for administering.

(b) Agency personnel standards and regulations shall conform insofar as possible to the regulations and procedures of the civil service of the State of California or the State of Nevada, as may be determined by the governing body of the agency; and shall be regional and bistrate in application and effect; provided that the governing body may, for administrative convenience and at its discretion, assign the administration of designated personnel arrangements to an agency of either state, and provided that administratively convenient adjustments be made in the standards and regulations governing personnel assigned under intergovernmental agreements.

(c) The agency may establish and maintain or participate in such additional programs of employee benefits as may be appropriate to afford employees of the agency terms and conditions of employment similar to those enjoyed by employees of California and Nevada generally.

ARTICLE V. Planning

(a) In preparing each of the plans required by this article and each amendment thereto, if any, subsequent to its adoption, the planning commission after due notice shall hold at least one public hearing which may be continued from time to time, and shall review the testimony and any written recommendations presented at such hearing before recommending the plan or amendment. The notice required by this subdivision shall be given at least 20 days prior to the public hearing by publication at least once in a newspaper or combination of newspapers whose circulation is general throughout the region and in each county a portion of whose territory lies within the region.

The planning commission shall then recommend such plan or amendment to the governing body for adoption by ordinance. The governing body may adopt, modify or reject the proposed plan or amendment, or may initiate and adopt a plan or amendment without referring it to the planning commission. If the governing body initiates or substantially modifies a plan or amendment, it shall hold at least one public hearing thereon after due notice as required in this subdivision.

If a request is made for the amendment of the regional plan by:

(1) A political subdivision a part of whose territory would be affected by such amendment; or



(2) The owner or lessee of real property which would be affected by such amendment,

→ the governing body shall complete its action on such amendment within 180 days after such request is accepted as complete according to standards which must be prescribed by ordinance of the agency.

(b) The agency shall develop, in cooperation with the states of California and Nevada, environmental threshold carrying capacities for the region. The agency should request the President's Council on Environmental Quality, the United States Forest Service and other appropriate agencies to assist in developing such environmental threshold carrying capacities. Within 18 months after the effective date of the amendments to this compact, the agency shall adopt environmental threshold carrying capacities for the region.

(c) Within 1 year after the adoption of the environmental threshold carrying capacities for the region, the agency shall amend the regional plan so that, at a minimum, the plan and all of its elements, as implemented through agency ordinances, rules and regulations, achieves and maintains the adopted environmental threshold carrying capacities. Each element of the plan shall contain implementation provisions and time schedules for such implementation by ordinance. The planning commission and governing body shall continuously review and maintain the regional plan. The regional plan shall consist of a diagram, or diagrams, and text, or texts setting forth the projects and proposals for implementation of the regional plan, a description of the needs and goals of the region and a statement of the policies, standards and elements of the regional plan.

The regional plan shall be a single enforceable plan and includes all of the following correlated elements:

(1) A land-use plan for the integrated arrangement and general location and extent of, and the criteria and standards for, the uses of land, water, air, space and other natural resources within the region, including but not limited to an indication or allocation of maximum population densities and permitted uses.

(2) A transportation plan for the integrated development of a regional system of transportation, including but not limited to parkways, highways, transportation facilities, transit routes, waterways, navigation facilities, public transportation facilities, bicycle facilities, and appurtenant terminals and facilities for the movement of people and goods within the region. The goal of transportation planning shall be:



(A) To reduce dependency on the automobile by making more effective use of existing transportation modes and of public transit to move people and goods within the region; and

(B) To reduce to the extent feasible air pollution which is caused by motor vehicles.

↪ Where increases in capacity are required, the agency shall give preference to providing such capacity through public transportation and public programs and projects related to transportation. The agency shall review and consider all existing transportation plans in preparing its regional transportation plan pursuant to this paragraph.

The plan shall provide for an appropriate transit system for the region.

The plan shall give consideration to:

(A) Completion of the Loop Road in the states of Nevada and California;

(B) Utilization of a light rail mass transit system in the South Shore area; and

(C) Utilization of a transit terminal in the Kingsbury Grade area.

↪ Until the regional plan is revised, or a new transportation plan is adopted in accordance with this paragraph, the agency has no effective transportation plan.

(3) A conservation plan for the preservation, development, utilization, and management of the scenic and other natural resources within the basin, including but not limited to, soils, shoreline and submerged lands, scenic corridors along transportation routes, open spaces, recreational and historical facilities.

(4) A recreation plan for the development, utilization, and management of the recreational resources of the region, including but not limited to, wilderness and forested lands, parks and parkways, riding and hiking trails, beaches and playgrounds, marinas, areas for skiing and other recreational facilities.

(5) A public services and facilities plan for the general location, scale and provision of public services and facilities, which, by the nature of their function, size, extent and other characteristics are necessary or appropriate for inclusion in the regional plan.

In formulating and maintaining the regional plan, the planning commission and governing body shall take account of and shall seek to harmonize the needs of the region as a whole, the plans of the counties and cities within the region, the plans and planning activities of the state, federal and other public agencies and nongovernmental agencies and organizations which affect or are concerned with planning and development within the region.



(d) The regional plan shall provide for attaining and maintaining federal, state, or local air and water quality standards, whichever are strictest, in the respective portions of the region for which the standards are applicable.

The agency may, however, adopt air or water quality standards or control measures more stringent than the applicable state implementation plan or the applicable federal, state, or local standards for the region, if it finds that such additional standards or control measures are necessary to achieve the purposes of this compact. Each element of the regional plan, where applicable, shall, by ordinance, identify the means and time schedule by which air and water quality standards will be attained.

(e) Except for the Regional Transportation Plan of the California Tahoe Regional Planning Agency, the regional plan, ordinances, rules and regulations adopted by the California Tahoe Regional Planning Agency in effect on July 1, 1980, shall be the regional plan, ordinances, rules and regulations of the Tahoe Regional Planning Agency for that portion of the Tahoe region located in the State of California. Such plan, ordinance, rule or regulation may be amended or repealed by the governing body of the agency. The plans, ordinances, rules and regulations of the Tahoe Regional Planning Agency that do not conflict with, or are not addressed by, the California Tahoe Regional Planning Agency's plans, ordinances, rules and regulations referred to in this subdivision shall continue to be applicable unless amended or repealed by the governing body of the agency. No provision of the regional plan, ordinances, rules and regulations of the California Tahoe Regional Planning Agency referred to in this subdivision shall apply to that portion of the region within the State of Nevada, unless such provision is adopted for the Nevada portion of the region by the governing body of the agency.

(f) The regional plan, ordinances, rules and regulations of the Tahoe Regional Planning Agency apply to that portion of the region within the State of Nevada.

(g) The agency shall adopt ordinances prescribing specific written findings that the agency must make prior to approving any project in the region. These findings shall relate to environmental protection and shall insure that the project under review will not adversely affect implementation of the regional plan and will not cause the adopted environmental threshold carrying capacities of the region to be exceeded.

(h) The agency shall maintain the data, maps and other information developed in the course of formulating and



administering the regional plan, in a form suitable to assure a consistent view of developmental trends and other relevant information for the availability of and use by other agencies of government and by private organizations and individuals concerned.

(i) Where necessary for the realization of the regional plan, the agency may engage in collaborative planning with local governmental jurisdictions located outside the region, but contiguous to its boundaries. In formulating and implementing the regional plan, the agency shall seek the cooperation and consider the recommendations of counties and cities and other agencies of local government, of state and federal agencies, of educational institutions and research organizations, whether public or private, and of civic groups and private persons.

ARTICLE VI. Agency's Powers

(a) The governing body shall adopt all necessary ordinances, rules, and regulations to effectuate the adopted regional plan. Except as otherwise provided in this compact, every such ordinance, rule or regulation shall establish a minimum standard applicable throughout the region. Any political subdivision or public agency may adopt and enforce an equal or higher requirement applicable to the same subject of regulation in its territory. The regulations of the agency shall contain standards including but not limited to the following: water purity and clarity; subdivision; zoning; tree removal; solid waste disposal; sewage disposal; land fills, excavations, cuts and grading; piers, harbors, breakwaters or channels and other shoreline developments; waste disposal in shoreline areas; waste disposal from boats; mobile-home parks; house relocation; outdoor advertising; floodplain protection; soil and sedimentation control; air pollution; and watershed protection. Whenever possible without diminishing the effectiveness of the regional plan, the ordinances, rules, regulations and policies shall be confined to matters which are general and regional in application, leaving to the jurisdiction of the respective states, counties and cities the enactment of specific and local ordinances, rules, regulations and policies which conform to the regional plan.

The agency shall prescribe by ordinance those activities which it has determined will not have substantial effect on the land, water, air, space or any other natural resources in the region and therefore will be exempt from its review and approval.

Every ordinance adopted by the agency shall be published at least once by title in a newspaper or combination of newspapers



whose circulation is general throughout the region. Except an ordinance adopting or amending the regional plan, no ordinance shall become effective until 60 days after its adoption. Immediately after its adoption, a copy of each ordinance shall be transmitted to the governing body of each political subdivision having territory within the region.

(b) No project other than those to be reviewed and approved under the special provisions of subdivisions (d), (e), (f) and (g) may be developed in the region without obtaining the review and approval of the agency and no project may be approved unless it is found to comply with the regional plan and with the ordinances, rules and regulations enacted pursuant to subdivision (a) to effectuate that plan.

The agency may approve a project in the region only after making the written findings required by this subdivision or subdivision (g) of Article V. Such findings shall be based on substantial evidence in the record.

Before adoption by the agency of the ordinances required in subdivision (g) of Article V, the agency may approve a project in the region only after making written findings on the basis of substantial evidence in the record that the project is consistent with the regional plan then in effect and with applicable plans, ordinances, regulations, and standards of federal and state agencies relating to the protection, maintenance and enhancement of environmental quality in the region.

(c) The legislatures of the states of California and Nevada find that in order to make effective the regional plan as revised by the agency, it is necessary to halt temporarily works of development in the region which might otherwise absorb the entire capability of the region for further development or direct it out of harmony with the ultimate plan. Subject to the limitation provided in this subdivision, from the effective date of the amendments to this compact until the regional plan is amended pursuant to subdivision (c) of Article V, or until May 1, 1983, whichever is earlier:

(1) Except as otherwise provided in this paragraph, no new subdivision, planned unit development, or condominium project may be approved unless a complete tentative map or plan has been approved before the effective date of the amendments to this compact by all agencies having jurisdiction. The subdivision of land owned by a general improvement district, which existed and owned the land before the effective date of the amendments to this compact, may be approved if subdivision of the land is necessary to avoid insolvency of the district.



(2) Except as provided in paragraph (3), no apartment building may be erected unless the required permits for such building have been secured from all agencies having jurisdiction, prior to the effective date of the amendments to this compact.

(3) During each of the calendar years 1980, 1981 and 1982, no city or county may issue building permits which authorize the construction of a greater number of new residential units within the region than were authorized within the region by building permits issued by that city or county during the calendar year 1978. For the period of January through April, 1983, building permits authorizing the construction of no more than one-third of that number may be issued by each such city or county. For purposes of this paragraph a "residential unit" means either a single family residence or an individual residential unit within a larger building, such as an apartment building, a duplex or a condominium.

The legislatures find the respective numbers of residential units authorized within the region during the calendar year 1978 to be as follows:

1. City of South Lake Tahoe and El Dorado County (combined)	252
2. Placer County	278
3. Carson City	-0-
4. Douglas County	339
5. Washoe County	739

(4) During each of the calendar years 1980, 1981 and 1982, no city or county may issue building permits which authorize construction of a greater square footage of new commercial buildings within the region than were authorized within the region by building permits for commercial purposes issued by that city or county during the calendar year 1978. For the period of January through April, 1983, building permits authorizing the construction of no more than one-third the amount of that square footage may be issued by each such city or county.

The legislatures find the respective square footages of commercial buildings authorized within the region during calendar year 1978 to be as follows:

1. City of South Lake Tahoe and El Dorado County (combined)	64,324
2. Placer County	23,000
3. Carson City	-0-
4. Douglas County	57,354
5. Washoe County	50,600



(5) No structure may be erected to house gaming under a nonrestricted license.

(6) No facility for the treatment of sewage may be constructed or enlarged except:

(A) To comply, as ordered by the appropriate state agency for the control of water pollution, with existing limitations of effluent under the Clean Water Act, 33 U.S.C. §§ 1251 et seq., and the applicable state law for control of water pollution;

(B) To accommodate development which is not prohibited or limited by this subdivision; or

(C) In the case of Douglas County *Lake Tahoe* Sewer ~~{District #1}~~ *Authority*, to modify or otherwise alter sewage treatment facilities existing on the effective date of the amendments to this compact so that such facilities will be able to treat the total volume of effluent for which they were originally designed, which is 3.0 million gallons per day. Such modification or alteration is not a "project"; is not subject to the requirements of Article VII; and does not require a permit from the agency. Before commencing such modification or alteration, however, the ~~{district}~~ *Authority* shall submit to the agency its report identifying any significant soil erosion problems which may be caused by such modifications or alterations and the measures which the ~~{district}~~ *Authority* proposes to take to mitigate or avoid such problems.

The moratorium imposed by this subdivision does not apply to work done pursuant to a right vested before the effective date of the amendments to this compact. Notwithstanding the expiration date of the moratorium imposed by this subdivision, no new highway may be built or existing highway widened to accommodate additional continuous lanes for automobiles until the regional transportation plan is revised and adopted.

The moratorium imposed by this subdivision does not apply to the construction of any parking garage which has been approved by the agency prior to May 4, 1979, whether that approval was affirmative or by default. The provisions of this paragraph are not an expression of legislative intent that any such parking garage, the approval of which is the subject of litigation which was pending on the effective date of the amendments to this compact, should or should not be constructed. The provisions of this paragraph are intended solely to permit construction of such a parking garage if a judgment sustaining the agency's approval to construct that parking garage has become final and no appeal is pending or may lawfully be taken to a higher court.



(d) Subject to the final order of any court of competent jurisdiction entered in litigation contesting the validity of an approval by the Tahoe Regional Planning Agency, whether that approval was affirmative or by default, if that litigation was pending on May 4, 1979, the agency and the states of California and Nevada shall recognize as a permitted and conforming use:

(1) Every structure housing gaming under a nonrestricted license which existed as a licensed gaming establishment on May 4, 1979, or whose construction was approved by the Tahoe Regional Planning Agency affirmatively or deemed approved before that date. The construction or use of any structure to house gaming under a nonrestricted license not so existing or approved, or the enlargement in cubic volume of any such existing or approved structure is prohibited.

(2) Every other nonrestricted gaming establishment whose use was seasonal and whose license was issued before May 4, 1979, for the same season and for the number and type of games and slot machines on which taxes or fees were paid in the calendar year 1978.

(3) Gaming conducted pursuant to a restricted gaming license issued before May 4, 1979, to the extent permitted by that license on that date.

➤ The area within any structure housing gaming under a nonrestricted license which may be open to public use (as distinct from that devoted to the private use of guests and exclusive of any parking area) is limited to the area existing or approved for public use on May 4, 1979. Within these limits, any external modification of the structure which requires a permit from a local government also requires approval from the agency. The agency shall not permit restaurants, convention facilities, showrooms or other public areas to be constructed elsewhere in the region outside the structure in order to replace areas existing or approved for public use on May 4, 1979.

(e) Any structure housing licensed gaming may be rebuilt or replaced to a size not to exceed the cubic volume, height and land coverage existing or approved on May 4, 1979, without the review or approval of the agency or any planning or regulatory authority of the State of Nevada whose review or approval would be required for a new structure.

(f) The following provisions apply to any internal or external modification, remodeling, change in use, or repair of a structure housing gaming under a nonrestricted license which is not prohibited by Article VI (d):



(1) The agency's review of an external modification of the structure which requires a permit from a local government is limited to determining whether the external modification will do any of the following:

(A) Enlarge the cubic volume of the structure;

(B) Increase the total square footage of area open to or approved for public use on May 4, 1979;

(C) Convert an area devoted to the private use of guests to an area open to public use;

(D) Increase the public area open to public use which is used for gaming beyond the limits contained in paragraph (3); and

(E) Conflict with or be subject to the provisions of any of the agency's ordinances that are generally applicable throughout the region.

➔ The agency shall make this determination within 60 days after the proposal is delivered to the agency in compliance with the agency's rules or regulations governing such delivery unless the applicant has agreed to an extension of this time limit. If an external modification is determined to have any of the effects enumerated in subparagraphs (A) through (C), it is prohibited. If an external modification is determined to have any of the effects enumerated in subparagraph (D) or (E), it is subject to the applicable provisions of this compact. If an external modification is determined to have no such effect, it is not subject to the provisions of this compact.

(2) Except as provided in paragraph (3), internal modification, remodeling, change in use or repair of a structure housing gaming under a nonrestricted license is not a project and does not require the review or approval of the agency.

(3) Internal modification, remodeling, change in use or repair of areas open to public use within a structure housing gaming under a nonrestricted license which alone or in combination with any other such modification, remodeling, change in use or repair will increase the total portion of those areas which is actually used for gaming by more than the product of the total base area, as defined below, in square feet existing on or approved before August 4, 1980, multiplied by 15 percent constitutes a project and is subject to all of the provisions of this compact relating to projects. For purposes of this paragraph and the determination required by Article VI (g), base area means all of the area within a structure housing gaming under a nonrestricted license which may be open to public use, whether or not gaming is actually conducted or carried on in that area, except retail stores, convention centers and meeting rooms, administrative offices, kitchens, maintenance and storage areas, rest rooms,



engineering and mechanical rooms, accounting rooms and counting rooms.

(g) In order to administer and enforce the provisions of paragraphs (d), (e) and (f) the State of Nevada, through its appropriate planning or regulatory agency, shall require the owner or licensee of a structure housing gaming under a nonrestricted license to provide:

(1) Documents containing sufficient information for the Nevada agency to establish the following relative to the structure:

(A) The location of its external walls;

(B) Its total cubic volume;

(C) Within its external walls, the area in square feet open or approved for public use and the area in square feet devoted to or approved for the private use of guests on May 4, 1979;

(D) The amount of surface area of land under the structure; and

(E) The base area as defined in paragraph (f)(3) in square feet existing on or approved before August 4, 1980.

(2) An informational report whenever any internal modification, remodeling, change in use, or repair will increase the total portion of the areas open to public use which is used for gaming.

The Nevada agency shall transmit this information to the Tahoe Regional Planning Agency.

(h) Gaming conducted pursuant to a restricted gaming license is exempt from review by the agency if it is incidental to the primary use of the premises.

(i) The provisions of subdivisions (d) and (e) are intended only to limit gaming and related activities as conducted within a gaming establishment, or construction designed to permit the enlargement of such activities, and not to limit any other use of property zoned for commercial use or the accommodation of tourists, as approved by the agency.

(j) Legal actions arising out of or alleging a violation of the provisions of this compact, of the regional plan or of an ordinance or regulation of the agency or of a permit or a condition of a permit issued by the agency are governed by the following provisions:

(1) This subdivision applies to:

(A) Actions arising out of activities directly undertaken by the agency.

(B) Actions arising out of the issuance to a person of a lease, permit, license or other entitlement for use by the agency.

(C) Actions arising out of any other act or failure to act by any person or public agency.



↪ Such legal actions may be filed and the provisions of this subdivision apply equally in the appropriate courts of California and Nevada and of the United States.

(2) Venue lies:

(A) If a civil or criminal action challenges an activity by the agency or any person which is undertaken or to be undertaken upon a parcel of real property, in the state or federal judicial district where the real property is situated.

(B) If an action challenges an activity which does not involve a specific parcel of land (such as an action challenging an ordinance of the agency), in any state or federal court having jurisdiction within the region.

(3) Any aggrieved person may file an action in an appropriate court of the State of California or Nevada or of the United States alleging noncompliance with the provisions of this compact or with an ordinance or regulation of the agency. In the case of governmental agencies, “aggrieved person” means the Tahoe Regional Planning Agency or any state, federal or local agency. In the case of any person other than a governmental agency who challenges an action of the Tahoe Regional Planning Agency, “aggrieved person” means any person who has appeared, either in person, through an authorized representative, or in writing, before the agency at an appropriate administrative hearing to register objection to the action which is being challenged, or who had good cause for not making such an appearance.

(4) A legal action arising out of the adoption or amendment of the regional plan or of any ordinance or regulation of the agency, or out of the granting or denial of any permit, shall be commenced within 60 days after final action by the agency. All other legal actions shall be commenced within 65 days after discovery of the cause of action.

(5) In any legal action filed pursuant to this subdivision which challenges an adjudicatory act or decision of the agency to approve or disapprove a project, the scope of judicial inquiry shall extend only to whether there was prejudicial abuse of discretion. Prejudicial abuse of discretion is established if the agency has not proceeded in a manner required by law or if the act or decision of the agency was not supported by substantial evidence in light of the whole record. In making such a determination the court shall not exercise its independent judgment on evidence but shall only determine whether the act or decision was supported by substantial evidence in light of the whole record. In any legal action filed pursuant to this subdivision which challenges a legislative act or decision of the



agency (such as the adoption of the regional plan and the enactment of implementing ordinances), the scope of the judicial inquiry shall extend only to the questions of whether the act or decision has been arbitrary, capricious or lacking substantial evidentiary support or whether the agency has failed to proceed in a manner required by law.

(6) In addition to the provisions of paragraph (5) relating to judicial inquiry:

(A) When adopting or amending a regional plan, the agency shall act in accordance with the requirements of the compact and the implementing ordinances, rules and regulations, and a party challenging the regional plan has the burden of showing that the regional plan is not in conformance with those requirements.

(B) When taking an action or making a decision, the agency shall act in accordance with the requirements of the compact and the regional plan, including the implementing ordinances, rules and regulations, and a party challenging the action or decision has the burden of showing that the act or decision is not in conformance with those requirements.

(7) The provisions of this subdivision do not apply to any legal proceeding pending on the date when this subdivision becomes effective. Any such legal proceeding shall be conducted and concluded under the provisions of law which were applicable prior to the effective date of this subdivision.

(8) The security required for the issuance of a temporary restraining order or preliminary injunction based upon an alleged violation of this compact or any ordinance, plan, rule or regulation adopted pursuant thereto is governed by the rule or statute applicable to the court in which the action is brought, unless the action is brought by a public agency or political subdivision to enforce its own rules, regulations and ordinances in which case no security shall be required.

(k) The agency shall monitor activities in the region and may bring enforcement actions in the region to ensure compliance with the regional plan and adopted ordinances, rules, regulations and policies. If it is found that the regional plan, or ordinances, rules, regulations and policies are not being enforced by a local jurisdiction, the agency may bring action in a court of competent jurisdiction to ensure compliance.

(l) Any person who violates any provision of this compact or of any ordinance or regulation of the agency or of any condition of approval imposed by the agency is subject to a civil penalty not to exceed \$5,000. Any such person is subject to an additional civil



penalty not to exceed \$5,000 per day, for each day on which such a violation persists. In imposing the penalties authorized by this subdivision, the court shall consider the nature of the violation and shall impose a greater penalty if it was willful or resulted from gross negligence than if it resulted from inadvertence or simple negligence.

(m) The agency is hereby empowered to initiate, negotiate and participate in contracts and agreements among the local governmental authorities of the region, or any other intergovernmental contracts or agreements authorized by state or federal law.

(n) Each intergovernmental contract or agreement shall provide for its own funding and staffing, but this shall not preclude financial contributions from the local authorities concerned or from supplementary sources.

(o) Every record of the agency, whether public or not, shall be open for examination to the Legislature and Controller of the State of California and the legislative auditor of the State of Nevada.

(p) Approval by the agency of any project expires 3 years after the date of final action by the agency or the effective date of the amendments to this compact, whichever is later, unless construction is begun within that time and diligently pursued thereafter, or the use or activity has commenced. In computing the 3-year period any period of time during which the project is the subject of a legal action which delays or renders impossible the diligent pursuit of that project shall not be counted. Any license, permit or certificate issued by the agency which has an expiration date shall be extended by that period of time during which the project is the subject of such legal action as provided in this subdivision.

(q) The governing body shall maintain a current list of real property known to be available for exchange with the United States or with other owners of real property in order to facilitate exchanges of real property by owners of real property in the region.

ARTICLE VII. Environmental Impact Statements

(a) The Tahoe Regional Planning Agency when acting upon matters that have a significant effect on the environment shall:

(1) Utilize a systematic, interdisciplinary approach which will insure the integrated use of the natural and social sciences and the environmental design arts in planning and in decision making which may have an impact on man's environment;



(2) Prepare and consider a detailed environmental impact statement before deciding to approve or carry out any project. The detailed environmental impact statement shall include the following:

(A) The significant environmental impacts of the proposed project;

(B) Any significant adverse environmental effects which cannot be avoided should the project be implemented;

(C) Alternatives to the proposed project;

(D) Mitigation measures which must be implemented to assure meeting standards of the region;

(E) The relationship between local short-term uses of man's environment and the maintenance and enhancement of long-term productivity;

(F) Any significant irreversible and irretrievable commitments of resources which would be involved in the proposed project should it be implemented; and

(G) The growth-inducing impact of the proposed project;

(3) Study, develop and describe appropriate alternatives to recommended courses of action for any project which involves unresolved conflicts concerning alternative uses of available resources;

(4) Make available to states, counties, municipalities, institutions and individuals, advice and information useful in restoring, maintaining and enhancing the quality of the region's environment; and

(5) Initiate and utilize ecological information in the planning and development of resource-oriented projects.

(b) Prior to completing an environmental impact statement, the agency shall consult with and obtain the comments of any federal, state or local agency which has jurisdiction by law or special expertise with respect to any environmental impact involved. Copies of such statement and the comments and views of the appropriate federal, state and local agencies which are authorized to develop and enforce environmental standards shall be made available to the public and shall accompany the project through the review processes. The public shall be consulted during the environmental impact statement process and views shall be solicited during a public comment period not to be less than 60 days.

(c) Any environmental impact statement required pursuant to this article need not repeat in its entirety any information or data which is relevant to such a statement and is a matter of public record or is generally available to the public, such as information contained in an environmental impact report prepared pursuant to the



California Environmental Quality Act or a federal environmental impact statement prepared pursuant to the National Environmental Policy Act of 1969. However, such information or data shall be briefly described in the environmental impact statement and its relationship to the environmental impact statement shall be indicated.

In addition, any person may submit information relative to a proposed project which may be included, in whole or in part, in any environmental impact statement required by this article.

(d) In addition to the written findings specified by agency ordinance to implement the regional plan, the agency shall make either of the following written findings before approving a project for which an environmental impact statement was prepared:

(1) Changes or alterations have been required in or incorporated into such project which avoid or reduce the significant adverse environmental effects to a less than significant level; or

(2) Specific considerations, such as economic, social or technical, make infeasible the mitigation measures or project alternatives discussed in the environmental impact statement on the project.

➔ A separate written finding shall be made for each significant effect identified in the environmental impact statement on the project. All written findings must be supported by substantial evidence in the record.

(e) The agency may charge and collect a reasonable fee from any person proposing a project subject to the provisions of this compact in order to recover the estimated costs incurred by the agency in preparing an environmental impact statement under this article.

(f) The agency shall adopt by ordinance a list of classes of projects which the agency has determined will not have a significant effect on the environment and therefore will be exempt from the requirement for the preparation of an environmental impact statement under this article. Prior to adopting the list, the agency shall make a written finding supported by substantial evidence in the record that each class of projects will not have a significant effect on the environment.

ARTICLE VIII. Finances

(a) On or before September 30 of each calendar year the agency shall establish the amount of money necessary to support its activities for the next succeeding fiscal year commencing July 1 of



the following year. The agency shall apportion \$75,000 of this amount among the counties within the region on the same ratio to the total sum required as the full cash valuation of taxable property within the region in each county bears to the total full cash valuation of taxable property within the region. In addition, each county within the region in California shall pay \$18,750 to the agency and each county within the region in Nevada, including Carson City, shall pay \$12,500 to the agency, from any funds available therefor. The State of California and the State of Nevada may pay to the agency by July 1 of each year any additional sums necessary to support the operations of the agency pursuant to this compact. If additional funds are required, the agency shall make a request for the funds to the states of California and Nevada. Requests for state funds must be apportioned two-thirds from California and one-third from Nevada. Money appropriated shall be paid within 30 days.

(b) The agency may fix and collect reasonable fees for any services rendered by it.

(c) The agency shall submit an itemized budget to the states for review with any request for state funds, shall be strictly accountable to any county in the region and the states for all funds paid by them to the agency and shall be strictly accountable to all participating bodies for all receipts and disbursement.

(d) The agency is authorized to receive gifts, donations, subventions, grants, and other financial aids and funds; but the agency may not own land except as provided in subdivision (i) of Article III.

(e) The agency shall not obligate itself beyond the moneys due under this article for its support from the several counties and the states for the current fiscal year, plus any moneys on hand or irrevocably pledged to its support from other sources. No obligation contracted by the agency shall bind either of the party states or any political subdivision thereof.

ARTICLE IX. Transportation District

(a) The Tahoe transportation district is hereby established as a special purpose district. The boundaries of the district are coterminous with those of the region.

(b) The business of the district shall be managed by a board of directors consisting of:

(1) One member of the county board of supervisors of each of the counties of El Dorado and Placer who must be appointed by his respective board of supervisors;



(2) One member of the city council of the City of South Lake Tahoe who must be appointed by the city council;

(3) One member each of the board of county commissioners of Douglas County and of Washoe County who must be appointed by his respective board of county commissioners;

(4) One member of the board of supervisors of Carson City who must be appointed by the board of supervisors;

(5) One member of the South Shore Transportation Management Association or its successor organization who must be appointed by the association or its successor organization;

(6) One member of the North Shore Transportation Management Association or its successor organization who must be appointed by the association or its successor organization;

(7) One member of each local transportation district in the region that is authorized by the State of Nevada or the State of California who must be appointed by his respective transportation district;

(8) One member appointed by a majority of the other voting directors who represents a public or private transportation system operating in the region;

(9) The director of the California Department of Transportation; and

(10) The director of the department of transportation of the State of Nevada.

↪ Any entity that appoints a member to the board of directors, the director of the California Department of Transportation or the director of the department of transportation of the State of Nevada may designate an alternate.

(c) Before a local transportation district appoints a member to the board of directors pursuant to paragraph (7) of subdivision (b), the local transportation district must enter into a written agreement with the Tahoe transportation district that sets forth the responsibilities of the districts for the establishment of policies and the management of financial matters, including, but not limited to, the distribution of revenue among the districts.

(d) The directors of the California Department of Transportation and the department of transportation of the State of Nevada, or their designated alternates, serve as nonvoting directors, but shall provide technical and professional advice to the district as necessary and appropriate.

(e) The vote of a majority of the directors must agree to take action. If a majority of votes in favor of an action are not cast, an action of rejection shall be deemed to have been taken.



(f) The Tahoe transportation district may by resolution establish procedures for the adoption of its budgets, the appropriation of its money and the carrying on of its other financial activities. These procedures must conform insofar as is practicable to the procedures for financial administration of the State of California or the State of Nevada or one or more of the local governments in the region.

(g) The Tahoe transportation district may in accordance with the adopted transportation plan:

(1) Own and operate a public transportation system to the exclusion of all other publicly owned transportation systems in the region.

(2) Own and operate support facilities for public and private systems of transportation, including, but not limited to, parking lots, terminals, facilities for maintenance, devices for the collection of revenue and other related equipment.

(3) Acquire or agree to operate upon mutually agreeable terms any publicly or privately owned transportation system or facility within the region.

(4) Hire the employees of existing public transportation systems that are acquired by the district without loss of benefits to the employees, bargain collectively with employee organizations, and extend pension and other collateral benefits to employees.

(5) Contract with private companies to provide supplementary transportation or provide any of the services needed in operating a system of transportation for the region.

(6) Contract with local governments in the region to operate transportation facilities or provide any of the services necessary to operate a system of transportation for the region.

(7) Fix the rates and charges for transportation services provided pursuant to this subdivision.

(8) Issue revenue bonds and other evidence of indebtedness and make other financial arrangements appropriate for developing and operating a public transportation system.

(9) By resolution, determine and propose for adoption a tax for the purpose of obtaining services of the district. The tax proposed must be general and of uniform operation throughout the region, and may not be graduated in any way, except for a sales and use tax. If a sales and use tax is approved by the voters as provided in this paragraph, it may be administered by the states of California and Nevada respectively in accordance with the laws that apply within their respective jurisdictions and must not exceed a rate of 1 percent of the gross receipts from the sale of tangible personal property sold in the district. The district is prohibited from imposing any other tax



measured by gross or net receipts on business, an ad valorem tax, a tax or charge that is assessed against people or vehicles as they enter or leave the region, and any tax, direct or indirect, on gaming tables and devices. Any such proposition must be submitted to the voters of the district and shall become effective upon approval of the voters voting on the proposition who reside in the State of California in accordance with the laws that apply within that state and approval of the voters voting on the proposition who reside in the State of Nevada in accordance with the laws that apply within that state. The revenues from any such tax must be used for the service for which it was imposed, and for no other purpose.

(10) Provide service from inside the region to convenient airport, railroad and interstate bus terminals without regard to the boundaries of the region.

(h) The legislatures of the states of California and Nevada may, by substantively identical enactments, amend this article.

ARTICLE X. Miscellaneous

(a) It is intended that the provisions of this compact shall be reasonably and liberally construed to effectuate the purposes thereof. Except as provided in subdivision (c), the provisions of this compact shall be severable and if any phrase, clause, sentence or provision of this compact is declared to be contrary to the constitution of any participating state or of the United States or the applicability thereof to any government, agency, person or circumstance is held invalid, the validity of the remainder of this compact and the applicability thereof to any government, agency, person or circumstance shall not be affected thereby. If this compact shall be held contrary to the constitution of any state participating therein, the compact shall remain in full force and effect as to the remaining state and in full force and effect as to the state affected as to all severable matters.

(b) The agency shall have such additional powers and duties as may hereafter be delegated or imposed upon it from time to time by the action of the Legislature of either state concurred in by the Legislature of the other.

(c) A state party to this compact may withdraw therefrom by enacting a statute repealing the compact. Notice of withdrawal shall be communicated officially and in writing to the Governor of the other state and to the agency administrators. This provision is not severable, and if it is held to be unconstitutional or invalid, no other



provision of this compact shall be binding upon the State of Nevada or the State of California.

(d) No provision of this compact shall have any effect upon the allocation, distribution or storage of interstate waters or upon any appropriative water right.

Sec. 7. NRS 332.015 is hereby amended to read as follows:

332.015 1. For the purpose of this chapter, unless the context otherwise requires, “local government” means:

(a) Every political subdivision or other entity which has the right to levy or receive money from ad valorem taxes or other taxes or from any mandatory assessments, including counties, cities, towns, school districts and other districts organized pursuant to chapters 244, ~~309~~, 318, 379, 450, 474, 539, 541, 543 and 555 of NRS.

(b) The Las Vegas Valley Water District created pursuant to the provisions of chapter 167, Statutes of Nevada 1947, as amended.

(c) County fair and recreation boards and convention authorities created pursuant to the provisions of NRS 244A.597 to 244A.655, inclusive.

(d) District boards of health created pursuant to the provisions of NRS 439.362 or 439.370.

2. The term does not include the Nevada Rural Housing Authority.

Sec. 8. NRS 338.010 is hereby amended to read as follows:

338.010 As used in this chapter:

1. “Authorized representative” means a person designated by a public body to be responsible for the development, solicitation, award or administration of contracts for public works pursuant to this chapter.

2. “Contract” means a written contract entered into between a contractor and a public body for the provision of labor, materials, equipment or supplies for a public work.

3. “Contractor” means:

(a) A person who is licensed pursuant to the provisions of chapter 624 of NRS.

(b) A design-build team.

4. “Day labor” means all cases where public bodies, their officers, agents or employees, hire, supervise and pay the wages thereof directly to a worker or workers employed by them on public works by the day and not under a contract in writing.

5. “Design-build contract” means a contract between a public body and a design-build team in which the design-build team agrees to design and construct a public work.

6. “Design-build team” means an entity that consists of:



(a) At least one person who is licensed as a general engineering contractor or a general building contractor pursuant to chapter 624 of NRS; and

(b) For a public work that consists of:

(1) A building and its site, at least one person who holds a certificate of registration to practice architecture pursuant to chapter 623 of NRS.

(2) Anything other than a building and its site, at least one person who holds a certificate of registration to practice architecture pursuant to chapter 623 of NRS or landscape architecture pursuant to chapter 623A of NRS or who is licensed as a professional engineer pursuant to chapter 625 of NRS.

7. “Design professional” means:

(a) A person who is licensed as a professional engineer pursuant to chapter 625 of NRS;

(b) A person who is licensed as a professional land surveyor pursuant to chapter 625 of NRS;

(c) A person who holds a certificate of registration to engage in the practice of architecture, interior design or residential design pursuant to chapter 623 of NRS;

(d) A person who holds a certificate of registration to engage in the practice of landscape architecture pursuant to chapter 623A of NRS; or

(e) A business entity that engages in the practice of professional engineering, land surveying, architecture or landscape architecture.

8. “Division” means the State Public Works Division of the Department of Administration.

9. “Eligible bidder” means a person who is:

(a) Found to be a responsible and responsive contractor by a local government or its authorized representative which requests bids for a public work in accordance with paragraph (b) of subsection 1 of NRS 338.1373; or

(b) Determined by a public body or its authorized representative which awarded a contract for a public work pursuant to NRS 338.1375 to 338.139, inclusive, to be qualified to bid on that contract pursuant to NRS 338.1379 or 338.1382.

10. “General contractor” means a person who is licensed to conduct business in one, or both, of the following branches of the contracting business:

(a) General engineering contracting, as described in subsection 2 of NRS 624.215.

(b) General building contracting, as described in subsection 3 of NRS 624.215.



11. “Governing body” means the board, council, commission or other body in which the general legislative and fiscal powers of a local government are vested.

12. “Local government” means every political subdivision or other entity which has the right to levy or receive money from ad valorem or other taxes or any mandatory assessments, and includes, without limitation, counties, cities, towns, boards, school districts and other districts organized pursuant to chapters 244A, ~~309,~~ 318, 379, 474, 538, 541, 543 and 555 of NRS, NRS 450.550 to 450.750, inclusive, and any agency or department of a county or city which prepares a budget separate from that of the parent political subdivision. The term includes a person who has been designated by the governing body of a local government to serve as its authorized representative.

13. “Offense” means failing to:

- (a) Pay the prevailing wage required pursuant to this chapter;
- (b) Pay the contributions for unemployment compensation required pursuant to chapter 612 of NRS;
- (c) Provide and secure compensation for employees required pursuant to chapters 616A to 617, inclusive, of NRS; or
- (d) Comply with subsection 5 or 6 of NRS 338.070.

14. “Prime contractor” means a contractor who:

- (a) Contracts to construct an entire project;
- (b) Coordinates all work performed on the entire project;
- (c) Uses his or her own workforce to perform all or a part of the public work; and
- (d) Contracts for the services of any subcontractor or independent contractor or is responsible for payment to any contracted subcontractors or independent contractors.

➡ The term includes, without limitation, a general contractor or a specialty contractor who is authorized to bid on a project pursuant to NRS 338.139 or 338.148.

15. “Public body” means the State, county, city, town, school district or any public agency of this State or its political subdivisions sponsoring or financing a public work.

16. “Public work” means any project for the new construction, repair or reconstruction of a project financed in whole or in part from public money for:

- (a) Public buildings;
- (b) Jails and prisons;
- (c) Public roads;
- (d) Public highways;
- (e) Public streets and alleys;



- (f) Public utilities;
- (g) Publicly owned water mains and sewers;
- (h) Public parks and playgrounds;
- (i) Public convention facilities which are financed at least in part with public money; and
- (j) All other publicly owned works and property.

17. “Specialty contractor” means a person who is licensed to conduct business as described in subsection 4 of NRS 624.215.

18. “Stand-alone underground utility project” means an underground utility project that is not integrated into a larger project, including, without limitation:

(a) An underground sewer line or an underground pipeline for the conveyance of water, including facilities appurtenant thereto; and

(b) A project for the construction or installation of a storm drain, including facilities appurtenant thereto,

↳ that is not located at the site of a public work for the design and construction of which a public body is authorized to contract with a design-build team pursuant to subsection 2 of NRS 338.1711.

19. “Subcontract” means a written contract entered into between:

(a) A contractor and a subcontractor or supplier; or

(b) A subcontractor and another subcontractor or supplier,
↳ for the provision of labor, materials, equipment or supplies for a construction project.

20. “Subcontractor” means a person who:

(a) Is licensed pursuant to the provisions of chapter 624 of NRS or performs such work that the person is not required to be licensed pursuant to chapter 624 of NRS; and

(b) Contracts with a contractor, another subcontractor or a supplier to provide labor, materials or services for a construction project.

21. “Supplier” means a person who provides materials, equipment or supplies for a construction project.

22. “Wages” means:

(a) The basic hourly rate of pay; and

(b) The amount of pension, health and welfare, vacation and holiday pay, the cost of apprenticeship training or other similar programs or other bona fide fringe benefits which are a benefit to the worker.

23. “Worker” means a skilled mechanic, skilled worker, semiskilled mechanic, semiskilled worker or unskilled worker in the service of a contractor or subcontractor under any appointment or



contract of hire or apprenticeship, express or implied, oral or written, whether lawfully or unlawfully employed. The term does not include a design professional.

Sec. 9. NRS 354.474 is hereby amended to read as follows:

354.474 1. Except as otherwise provided in subsections 2 and 3, the provisions of NRS 354.470 to 354.626, inclusive, apply to all local governments. For the purpose of NRS 354.470 to 354.626, inclusive:

(a) “Local government” means every political subdivision or other entity which has the right to levy or receive money from ad valorem or other taxes or any mandatory assessments, and includes, without limitation, counties, cities, towns, boards, school districts and other districts organized pursuant to chapters 244A, ~~309~~ 318 and 379 of NRS, NRS 450.550 to 450.750, inclusive, and chapters 474, 541, 543 and 555 of NRS, and any agency or department of a county or city which prepares a budget separate from that of the parent political subdivision.

(b) “Local government” includes the Nevada Rural Housing Authority for the purpose of loans of money from a local government in a county whose population is less than 100,000 to the Nevada Rural Housing Authority in accordance with NRS 354.6118. The term does not include the Nevada Rural Housing Authority for any other purpose.

2. An irrigation district organized pursuant to chapter 539 of NRS shall fix rates and levy assessments as provided in NRS 539.667 to 539.683, inclusive. The levy of such assessments and the posting and publication of claims and annual financial statements as required by chapter 539 of NRS shall be deemed compliance with the budgeting, filing and publication requirements of NRS 354.470 to 354.626, inclusive, but any such irrigation district which levies an ad valorem tax shall comply with the filing and publication requirements of NRS 354.470 to 354.626, inclusive, in addition to the requirements of chapter 539 of NRS.

3. An electric light and power district created pursuant to chapter 318 of NRS shall be deemed to have fulfilled the requirements of NRS 354.470 to 354.626, inclusive, for a year in which the district does not issue bonds or levy an assessment if the district files with the Department of Taxation a copy of all documents relating to its budget for that year which the district submitted to the Rural Utilities Service of the United States Department of Agriculture.



Sec. 10. NRS 354.760 is hereby amended to read as follows:

354.760 1. All invoices or other notices issued by a local government to collect an account receivable must state that if the debtor wishes to pay by check or other negotiable instrument, such negotiable instrument must name as payee:

(a) The local government; or

(b) The title of the governmental official charged by law with the collection of such accounts.

➔ In no event may the invoice or other notice state that a check or other negotiable instrument may name a natural person as payee.

2. Notwithstanding the provisions of subsection 1, a local government may deposit into the appropriate account a check or other negotiable instrument which it determines is intended as payment for an account receivable.

3. As used in this section, “local government” means every political subdivision or other entity which has the right to levy or receive money from ad valorem taxes or other taxes or from any mandatory assessments, including, without limitation, counties, cities, towns, boards, authorities, school districts and other districts organized pursuant to chapters 244, 244A, ~~309,~~ 318, 379, 439, 450, 474, 539, 541, 543 and 555 of NRS.

Sec. 11. NRS 378.160 is hereby amended to read as follows:

378.160 As used in NRS 378.150 to 378.210, inclusive:

1. “Center” means the State Publications Distribution Center created by NRS 378.170.

2. “Depository library” means a library with which the Center has entered into an agreement pursuant to NRS 378.190.

3. “Local government” means every political subdivision or other entity which has the right to levy or receive money from ad valorem or other taxes or any mandatory assessments, and includes, without limitation, counties, cities, towns, boards, school districts and other districts organized pursuant to chapters 244A, ~~309,~~ 318, 379, 474, 541, 543 and 555 of NRS, NRS 450.550 to 450.750, inclusive, and any agency or department of a county or city which prepares a budget separate from that of the parent political subdivision. The term includes the Nevada Rural Housing Authority.

4. “Publication” includes any information in any format or medium that is produced pursuant to the authority of or at the total or partial expense of a state agency or local government, is required by law to be distributed by a state agency or local government, or is distributed publicly by a state agency or local government outside that state agency or local government. The term does not include:



- (a) Nevada Revised Statutes with annotations;
- (b) Nevada Reports;
- (c) Bound volumes of the Statutes of Nevada;
- (d) Items published by the University of Nevada Press and other information disseminated by the Nevada System of Higher Education which is not designed for public distribution;
- (e) Official state records scheduled for retention and disposition pursuant to NRS 239.080; or
- (f) Records of a local government which have been scheduled for disposition pursuant to NRS 239.124 or retention pursuant to NRS 239.125.

5. “State agency” includes the Legislature, constitutional officers or any department, division, bureau, board, commission or agency of the State of Nevada.

Sec. 12. This act may be cited as the Douglas County Lake Tahoe Sewer Authority Act.

Sec. 13. The Legislature hereby finds and declares that:

1. The provisions of section 22 of this act describe a region which is distinguished by the governance of the only local improvement district currently in existence which is organized under chapter 309 of NRS and the presence of Lake Tahoe, a water system which is governed by a unique combination of state and federal laws.

2. The unique conditions of the area described by section 22 of this act are special circumstances and conditions to which a general law cannot be made applicable and necessitate this special act to enact changes to the management of sewage in that area.

3. Adequate and efficient sewage service is vital to the economic development and well-being of residents in the area described by section 22 of this act.

4. There are currently several different general improvement districts organized under chapter 318 of NRS that administer sewage collection services in the area described by section 22 of this act, which has caused problems in administering sewage services.

5. The well-being of the residents of the area described by section 22 of this act and the long-term economic development of the area described by section 22 of this act are best served by the creation of a single governmental entity, the purpose of which is to secure and develop sustainable sewage services.

Sec. 14. As used in this act, unless the context otherwise requires, the words and terms defined in sections 15 to 21, inclusive, of this act have the meanings ascribed to them in those sections.



Sec. 15. “Authority” means the Douglas County Lake Tahoe Sewer Authority created by section 23 of this act.

Sec. 16. “Board” means the Board of Trustees of the Douglas County Lake Tahoe Sewer Authority.

Sec. 17. “Douglas County” means the county created by and described in NRS 243.045.

Sec. 18. “Lake Tahoe Basin” has the meaning ascribed to it in NRS 538.600.

Sec. 19. “Project” means any structure, facility, undertaking or system which the Authority is authorized to acquire, construct, improve, equip, maintain or operate under the provisions of this act, including, without limitation, sewers, sewage disposal plants, sewage treatment plants and septic tanks and any other materials or construction connected therewith or with the handling or disposal of sewage. A project may consist of all kinds of personal and real property, including, without limitation, land, elements and fixtures thereon, property of any nature appurtenant thereto or used in connection therewith, and every estate, interest and right therein, legal or equitable, including terms for years, or any combination thereof.

Sec. 20. “Service area” means the area described by section 22 of this act.

Sec. 21. “Wastewater Reclamation Facility” means the treatment facility located in Zephyr Cove, Nevada, that treats and disposes of sewage from the service area.

Sec. 22. 1. The service area in which plans for the management of sewage are to be made, pursuant to this act, is the entire area of the Lake Tahoe Basin within the boundaries of Douglas County, except that the Board may:

(a) Exclude from the service area any land which the Board determines is unsuitable for inclusion because of its inability to connect with the Wastewater Reclamation Facility; and

(b) Include in the service area any land otherwise excluded if the owners of the land agree to be governed by this act.

2. The Authority and the Board shall have jurisdiction over the treatment and disposal of sewage and wastewater in the service area.

Sec. 23. 1. The Douglas County Lake Tahoe Sewer Authority is hereby created. The Authority is a public body corporate and politic and a municipal corporation. The purpose of the Authority is to furnish the service area and its inhabitants with an adequate system of sewage collection and treatment and disposal of wastewater by acquiring, holding, constructing, improving, maintaining and operating, owning, leasing, either in the capacity of



lessor or lessee, sewers, sewer systems, sewage treatment works, waste mains, tunnels, drains and every form of sewer and sewage treatment or disposal facility, to be devoted wholly or partially for public uses or for revenue producing purposes.

2. The property and revenues of the Authority, any interest of any creditor therein and any possessory interest in or right to use that property which the Authority may grant are exempt from all state, county and municipal taxation.

Sec. 24. By entering into a cooperative agreement pursuant to NRS 277.080 to 277.180, inclusive, public entities, including, without limitation, a general improvement district organized pursuant to chapter 318 of NRS, may jointly authorize the Authority to exercise such powers, privileges or authority that each of those entities may individually exercise pursuant to the laws of this State which are not inconsistent with the provisions of this act.

Sec. 25. 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. 26. 1. The Authority must be directed and governed by a Board of Trustees consisting of the following five trustees appointed pursuant to this section:

(a) One member of the Board of Trustees of the Kingsbury General Improvement District;

(b) One member of the Board of Trustees of the Round Hill Improvement District;

(c) One member of the Board of Trustees of the Tahoe-Douglas District;

(d) One member of the Board of County Commissioners of Douglas County; and

(e) One person representing the business community within Stateline, Nevada, appointed by the other four trustees.

2. The Board of County Commissioners of Douglas County shall appoint a trustee from its membership for an initial term of 3 years.

3. The Boards of Trustees of the Kingsbury General Improvement District, the Round Hill Improvement District and the Tahoe-Douglas District shall each appoint a trustee from their respective memberships for an initial term of 2 years.

4. The representative of the business community within Stateline, Nevada, appointed by the other trustees pursuant to paragraph (e) of subsection 1 shall serve for an initial term of 1 year.

5. After the initial terms, each trustee who is appointed to the Board serves for a term of 3 years. A trustee may be reappointed.



6. If any position on the Board becomes vacant, including, without limitation, upon the trustee's loss of any of the qualifications required for his or her appointment, the appointing authority shall appoint a successor to fill the remainder of the unexpired term.

Sec. 27. Each trustee on the Board shall file with the County Clerk of Douglas County:

1. His or her oath of office; and
2. A corporate surety bond furnished at the Authority's expense, in an amount not to exceed \$5,000, and conditioned for the faithful performance of his or her duties as a member of the Board.

Sec. 28. 1. The Board shall elect one of its members as Chair, one of its members as Secretary, and one of its members as Treasurer. The Secretary and Treasurer may be the same person. The terms of the officers expire on December 31 of each year. Trustees may serve consecutive terms in any of the three officer positions.

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

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

Sec. 29. 1. The Board shall meet regularly at a time and in a place to be designated by the Board. The Board shall provide for the calling of a special meeting when action is required before a regular meeting would occur.

2. Except as otherwise provided in this section, 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 the meeting.

Sec. 30. The Authority has perpetual succession. The Authority, acting pursuant to the Board's direction, may do all things necessary to accomplish the purposes of this act, including, without limitation:

1. Except as otherwise provided in this subsection, administer all activity and business related to the collection and treatment of sewage and wastewater in the service area and the transportation



and disposal of sewage and wastewater both within and outside of the service area. If a public entity within the boundaries of the service area is performing an activity or business related to the collection of sewage and wastewater on the effective date of this act, the Authority may not administer any activity or business related to the collection of sewage and wastewater within the boundaries of that public entity unless otherwise provided by agreement between the public entity and the Authority.

2. Fix, alter, charge and collect rates, rentals and other charges for the use of facilities controlled by the Authority, including, without limitation, the Wastewater Reclamation Facility, or for the services rendered by the Authority or projects thereof, at reasonable rates, to be determined by the Authority, for the purpose of providing for the payment of the expenses of the Authority, the construction, improvement, repair, maintenance and operation of its facilities and properties, the payment of the principal of and interest on its obligations and to fulfill the terms and provisions of any agreements made with the purchasers or holders of any such obligations, and to make such rates, rentals and other charges a lien upon the property using such facilities, and provide for a method of enforcing collection of such rates, rentals and other charges.

3. Borrow money, make and issue negotiable notes, bonds and other evidences of indebtedness or obligations of the Authority, and to secure the payment of such bonds, or any part thereof, by pledge or deed of trust of all or any of its revenues and receipts, and to make such agreements with the purchasers or holders of such bonds or with others in connection with any such bonds, whether issued or to be issued, as the Authority shall deem advisable, and in general to provide for the security of said bonds and the rights of the holders thereof.

4. To acquire, purchase, hold, lease as lessee and use any franchise, property, real, personal or mixed, tangible or intangible, or any interest therein, within or without the boundaries of the service area, necessary or desirable for carrying out the purposes of the Authority, and to sell, lease as lessor, transfer and dispose of any property or interest therein, at any time acquired by it.

5. Acquire by purchase, lease or otherwise, and to construct, improve, maintain, repair and operate projects within or without the service area.

6. Pledge, hypothecate or otherwise encumber all or any of the revenues or receipts of the Authority as security for all or any of its obligations.



7. Contract with public entities, including, without limitation, a general improvement district organized under chapter 318 of NRS, for the provision of services by the Authority and, in the performance of its functions, use the officers, agents, employees, services, facilities, records and equipment of Douglas County or any public governing body therein, with the consent of the respective public entity and subject to such terms and conditions as may be agreed upon.

8. Install and maintain sewer and effluent pipelines, together with all related or necessary improvements along, under or upon public highways, roads, streets and alleys, and to build and erect sewage treatment or disposal facilities and improvements, either within or without the service area, and to compel all property owners within the service area to connect their sewer systems with such system or sewers of the Authority.

9. Acquire by eminent domain proceedings, either the fee or such right, title, interest or easement in such lands and premises, within the service area, as the Authority may deem necessary for any of the purposes mentioned in this act. The right of eminent domain must be exercised by the Authority in the manner provided by law for the exercise of such right, except insofar as such law may be inconsistent with the provisions of this act.

10. Make bylaws for the management and regulation of its affairs.

11. Employ or contract with such persons as it deems necessary and hire and retain officers, agents and employees, including, without limitation, fiscal advisors, engineers, attorneys or other professional or specialized personnel.

12. Seek, apply for and otherwise solicit and receive from any source, public or private, such contributions, gifts, grants, devises and bequests of money and personal property, or any combination thereof, as the Authority determines is necessary or convenient for the exercise of any of its powers.

13. Participate with relevant agencies of the United States, the State of Nevada and other entities on issues concerning the disposal of wastewater and sewage.

14. Make and enforce all necessary and proper regulations for the collection of sewage, and to make all other sanitary regulations in connection therewith.

15. Sue and be sued, implead and be impleaded, complain and defend in all courts.

16. Adopt, use and alter at will a corporate seal.



17. Except as otherwise provided in section 33.5 of this act, merge or consolidate with a general improvement district organized under chapter 318 of NRS.

18. Perform such other functions conferred on the Authority by the provisions of this act.

Sec. 31. 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. 32. The Board shall adopt an ordinance relative to the financing of the Authority, which ordinance shall in itself use the method of financing best suited to the financial condition and welfare of the service area. In this connection, such ordinance may use any of the following methods of financing, or any combination thereof:

1. Current revenue, reserves, state funds or federal funds which may be available and which may by law be used for furthering the purposes of this act.

2. Issuing bonds as provided in NRS 318.320.

3. Borrowing funds from the State or Federal Government, when such funds are available, for carrying out the purposes of this act.

Sec. 33. The Authority is exempt from regulation by the Public Utilities Commission of Nevada.

Sec. 33.5. The merger or consolidation of the Authority with a general improvement district pursuant to section 30 of this act must be approved by:

1. A majority of the owners of property located within the boundaries of the service area of the Authority; and

2. Resolution of the Board.

Sec. 34. The Authority shall assume the debts, obligations, liabilities and assets of Douglas County Sewer Improvement District No. 1, which was organized pursuant to chapter 309 of NRS in 1953 and was abolished on October 1, 2017.

Sec. 34.5. If any provision of this act or the application thereof to any person, thing or circumstance is held invalid, the invalidity does not affect the provisions or application of the act that can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

Sec. 35. Douglas County Sewer Improvement District No. 1, which was established under chapter 309 of NRS in 1953, is hereby abolished.



Sec. 36. NRS 309.010, 309.020, 309.025, 309.030, 309.040, 309.050, 309.060, 309.065, 309.070, 309.080, 309.090, 309.100, 309.110, 309.120, 309.130, 309.135, 309.140, 309.145, 309.160, 309.170, 309.180, 309.190, 309.200, 309.210, 309.220, 309.230, 309.240, 309.250, 309.260, 309.270, 309.280, 309.290, 309.300, 309.310, 309.320, 309.330, 309.331, 309.332, 309.333, 309.334, 309.335, 309.336, 309.337, 309.338, 309.339, 309.3395, 309.340, 309.350, 309.360, 309.370, 309.380, 309.383, 309.385, 309.390, 309.400, 309.410, 309.415, 309.425, 309.435, 309.445, 309.455, 309.465, 309.475, 309.490, 309.500, 309.510, 309.520, 309.530 and 309.540 are hereby repealed.

Sec. 37. This act becomes effective:

1. Upon passage and approval for the purpose of adopting regulations and performing any other preparatory administrative tasks that are necessary to carry out the provisions of this act; and
2. On October 1, 2017, for all other purposes.

