

SENATE BILL NO. 461—COMMITTEE ON NATURAL RESOURCES

MARCH 27, 2017

Referred to Committee on Natural Resources

SUMMARY—Authorizing an appeal of certain rate increases imposed by certain water districts. (BDR S-934)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.  
Effect on the State: No.

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

AN ACT relating to water; authorizing an appeal of certain rate increases imposed by the Moapa Valley Water District or the Virgin Valley Water District to the Board of County Commissioners of Clark County; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

1 Existing law establishes the Moapa Valley Water District and the Virgin Valley  
2 Water District, which are authorized to: (1) sell and distribute water to any person,  
3 firm, corporation, association, district, agency or inhabitant for use within the  
4 respective service areas; and (2) fix, establish and adjust rates for the sale and use  
5 of such water. (Chapter 477, Statutes of Nevada 1983, p. 1262; chapter 100,  
6 Statutes of Nevada 1993, p. 159) **Sections 1 and 3** of this bill provide that if the  
7 governing body of either District approves an increase of 5 percent or more in the  
8 rates for the sale or use of water, any person, firm, corporation, association, district,  
9 agency or inhabitant to whom the District sells or distributes water may file a  
10 written appeal of the amount of the increase to the Board of County Commissioners  
11 of Clark County. **Sections 1 and 3** further require the Board of County  
12 Commissioners to consider the appeal at a public hearing and determine whether  
13 the amount of the increase is just and reasonable. If the Board of County  
14 Commissioners finds that the amount of the increase is not just and reasonable, the  
15 Board may order that the amount of the rate increase be modified or eliminated. If  
16 the Board of County Commissioners finds that the amount of the increase is just  
17 and reasonable or takes no action on the issue, the respective District may impose  
18 the rate increase.



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

1       **Section 1.** The Moapa Valley Water District Act, being  
2 chapter 447, Statutes of Nevada 1983, at page 1262, is hereby  
3 amended by adding thereto a new section to be designated as section  
4 3.5, immediately following section 3, to read as follows:

5           *Sec. 3.5. 1. If the governing body of the District*  
6 *approves an increase of 5 percent or more in the rates for*  
7 *the sale or use of water, any person, firm, corporation,*  
8 *association, district, agency or inhabitant, public or private,*  
9 *to whom the District sells or distributes water may file a*  
10 *written appeal of the amount of the increase to the Board of*  
11 *County Commissioners of Clark County not later than 14*  
12 *days after the person, firm, corporation, association, district,*  
13 *agency or inhabitant receives notice from the governing*  
14 *body of the District that the governing body has approved*  
15 *such an increase.*

16           *2. If the Board of County Commissioners of Clark*  
17 *County receives a written appeal of a rate increase filed*  
18 *pursuant to subsection 1, the Board of County*  
19 *Commissioners must:*

20           *(a) Consider the appeal at a public hearing not later*  
21 *than 14 days after receipt of the appeal. The Board of*  
22 *County Commissioners may consider multiple appeals at the*  
23 *same hearing.*

24           *(b) Provide notice of the time and place of the hearing*  
25 *that is required pursuant to paragraph (a) to each person,*  
26 *firm, corporation, association, district, agency or inhabitant*  
27 *that files an appeal at least 7 days before the date of the*  
28 *hearing.*

29           *3. At a hearing held pursuant to subsection 2, the*  
30 *Board of County Commissioners of Clark County must*  
31 *determine whether the amount of the rate increase is just*  
32 *and reasonable. The governing body of the District has the*  
33 *burden of showing that the amount of the rate increase is*  
34 *just and reasonable.*

35           *4. If, at the hearing held pursuant to subsection 2, the*  
36 *Board of County Commissioners of Clark County:*

37           *(a) Finds that the amount of the rate increase is not just*  
38 *and reasonable, the Board of County Commissioners of*  
39 *Clark County may order that the rate increase be modified*  
40 *or eliminated.*



1           ***(b) Takes no action or finds that the amount of the rate***  
2           ***increase is just and reasonable, the District may impose the***  
3           ***rate increase.***

4           ***5. A decision of the Board of County Commissioners of***  
5           ***Clark County is a final decision for purposes of judicial***  
6           ***review.***

7           **Sec. 2.** Section 3 of the Moapa Valley Water District Act,  
8 being chapter 477, Statutes of Nevada 1983, at page 1262, is hereby  
9 amended to read as follows:

10           Sec. 3. The District has the following powers:

11           1. To have perpetual succession.

12           2. To sue and be sued in the name of the District in any  
13 court of competent jurisdiction.

14           3. To adopt a seal and alter it at the District's pleasure.

15           4. To enter into contracts, and employ and fix the  
16 compensation of staff and professional advisers.

17           5. To borrow money and incur indebtedness to the extent  
18 permitted by law.

19           6. Subject to NRS 350.011 to 350.0165, inclusive, to  
20 issue and retire bonds, warrants, notes and other securities, as  
21 if it were a municipality, in accordance with and by exercise  
22 of the powers conferred by:

23           (a) NRS 350.020 to 350.070, inclusive;

24           (b) NRS 350.350 to 350.490, inclusive;

25           (c) NRS 350.500 to 350.720, inclusive; and

26           (d) Other applicable law,

27           ↳ to pay the cost, in whole or in part, of the acquisition or  
28 construction, respectively, of any lands, easements, water  
29 rights, waters, waterworks, conduits, pipelines, wells,  
30 reservoirs, structures, machinery and other property or  
31 equipment useful or necessary to store, convey, supply or  
32 otherwise deal with water to provide adequate water service  
33 to the service area. For purposes of NRS 350.572, this act  
34 does not expressly or impliedly require an election before  
35 issuance of a security or indebtedness pursuant to NRS  
36 350.500 to 350.720, inclusive, if the obligation is payable  
37 solely from pledged revenues, but an election must be held  
38 before incurring a general obligation.

39           7. To take by grant, purchase, gift, devise or lease, and  
40 to hold, use, lease or dispose of real and personal property  
41 within or without the service area of the district. Such  
42 property includes but is not limited to lands, easements, water  
43 rights, waters, waterworks, conduits, pipelines, wells,  
44 reservoirs, structures, machinery and other property useful or



1 necessary to store, convey, supply or otherwise deal with  
2 water to provide adequate water service to the service area.

3 8. To adopt ordinances, rules, regulations and bylaws  
4 necessary for exercise of the powers and conduct of the  
5 affairs of the Board and District.

6 9. To exercise the power of eminent domain in the  
7 manner prescribed by law, within or without the service area  
8 of the District, to take any property including but not limited  
9 to property specified in subsection 7, necessary or convenient  
10 for the exercise of the powers of the District or for the  
11 provision of adequate water service to the service area. No  
12 action in eminent domain may be commenced to acquire  
13 property outside the service area unless the Board of county  
14 commissioners of the affected county consents to the action.  
15 No property devoted to public use may be taken by the  
16 District unless it is taken upon a finding by a court of  
17 competent jurisdiction that the taking is for a more necessary  
18 public use than the use to which the property is already  
19 devoted.

20 10. To contract or cooperate with the United States, the  
21 State of Nevada or any political subdivision thereof in order  
22 to store, conserve, supply, convey or otherwise deal with  
23 water to provide adequate water to the service area.

24 11. To store or conserve water in surface or underground  
25 reservoirs, within or without the District, to appropriate water  
26 and to import water from without the District, all to provide  
27 adequate water service to the service area.

28 12. To sell and distribute water under the control of the  
29 District, without preference, to any person, firm, corporation,  
30 association, district, agency or inhabitant, public or private,  
31 for use within the service area, to , *except as otherwise*  
32 *provided in section 3.5*, fix, establish and adjust rates, classes  
33 of rates, terms and conditions for the sale and use of such  
34 water, and to sell water for use outside the service area upon a  
35 finding by the Board that there is a surplus of water above  
36 that amount required to serve consumers within the service  
37 area.

38 13. To construct, acquire, alter, improve, operate and  
39 maintain waterworks, conduits, pipelines, wells, reservoirs,  
40 structures, machinery and other property and equipment  
41 useful or necessary to store, convey, supply or otherwise deal  
42 with water to provide adequate water service to the service  
43 area.

44 14. To restrict the use of district water during any  
45 emergency caused by drought or other threatened or existing



1 water shortage, and to prohibit the waste of district water at  
2 any time.

3 15. To levy and collect taxes in the manner and for the  
4 purposes prescribed in this act.

5 16. To do all acts and things reasonably implied from  
6 and necessary for the full exercise of all the powers of the  
7 District granted by this act.

8 **Sec. 3.** The Virgin Valley Water District Act, being chapter  
9 100, Statutes of Nevada 1993, at page 159, is hereby amended by  
10 adding thereto a new section to be designated as section 3.2,  
11 immediately following section 3, to read as follows:

12 *Sec. 3.2. 1. If the governing body of the District*  
13 *approves an increase of 5 percent or more in the rates for*  
14 *the sale or use of water, any person, firm, corporation,*  
15 *association, district, agency or inhabitant, public or private,*  
16 *to whom the District sells or distributes water may file a*  
17 *written appeal of the amount of the increase to the Board of*  
18 *County Commissioners of Clark County not later than 14*  
19 *days after the person, firm, corporation, association, district,*  
20 *agency or inhabitant receives notice from the governing*  
21 *body of the District that the governing body has approved*  
22 *such an increase.*

23 *2. If the Board of County Commissioners of Clark*  
24 *County receives a written appeal of a rate increase filed*  
25 *pursuant to subsection 1, the Board of County*  
26 *Commissioners must:*

27 *(a) Consider the appeal at a public hearing not later*  
28 *than 14 days after receipt of the appeal. The Board of*  
29 *County Commissioners may consider multiple appeals at the*  
30 *same hearing.*

31 *(b) Provide notice of the time and place of the hearing*  
32 *that is required pursuant to paragraph (a) to each person,*  
33 *firm, corporation, association, district, agency or inhabitant*  
34 *that files an appeal at least 7 days before the date of the*  
35 *hearing.*

36 *3. At a hearing held pursuant to subsection 2, the*  
37 *Board of County Commissioners of Clark County must*  
38 *determine whether the amount of the rate increase is just*  
39 *and reasonable. The governing body of the District has the*  
40 *burden of showing that the amount of the rate increase is*  
41 *just and reasonable.*

42 *4. If, at the hearing held pursuant to subsection 2, the*  
43 *Board of County Commissioners of Clark County:*

44 *(a) Finds that the amount of the rate increase is not just*  
45 *and reasonable, the Board of County Commissioners of*



1 *Clark County may order that the rate increase be modified*  
2 *or eliminated.*

3 *(b) Takes no action or finds that the amount of the rate*  
4 *increase is just and reasonable, the District may impose the*  
5 *rate increase.*

6 *5. A decision of the Board of County Commissioners of*  
7 *Clark County is a final decision for purposes of judicial*  
8 *review.*

9 **Sec. 4.** Section 3 of the Virgin Valley Water District Act,  
10 being chapter 100, Statutes of Nevada 1993, as last amended by  
11 chapter 497, Statutes of Nevada 2007, at page 2886, is hereby  
12 amended to read as follows:

13 Sec. 3. The District has the following powers:

- 14 1. To have perpetual succession.
- 15 2. To sue and be sued in the name of the District in all  
16 courts or tribunals of competent jurisdiction.
- 17 3. To adopt a seal and alter it at the District's pleasure.
- 18 4. To enter into contracts, and employ and fix the  
19 compensation of staff and professional advisers.
- 20 5. To borrow money and incur indebtedness to the extent  
21 permitted by law.
- 22 6. To acquire, by purchase, grant, gift, devise, lease,  
23 construction, contract or otherwise, lands, rights-of-way,  
24 easements, privileges, water and water rights, and property of  
25 every kind, whether real or personal, to construct, maintain  
26 and operate, within or without the District, any and all works  
27 and improvements necessary or proper to carry out any of the  
28 objects or purposes of sections 1 to 15, inclusive, of this act,  
29 and to complete, extend, add to, repair or otherwise improve  
30 any works, improvements or property acquired by it as  
31 authorized by sections 1 to 15, inclusive, of this act.
- 32 7. To sell, lease, encumber, hypothecate or otherwise  
33 dispose of property, whether real or personal, including water  
34 and water rights, as is necessary or convenient to the full  
35 exercise of the district's powers.
- 36 8. To adopt ordinances, rules, regulations and bylaws  
37 necessary for the exercise of the powers and conduct of the  
38 affairs of the Board and District.
- 39 9. Except as otherwise provided in this subsection, to  
40 exercise the power of eminent domain in the manner  
41 prescribed by law, within or without the service area of the  
42 District, to take any property, including, without limitation,  
43 the property specified in subsections 6 and 15, necessary or  
44 convenient for the exercise of the powers of the District or for  
45 the provision of adequate water service to the service area.



1 The District shall not exercise the power of eminent domain  
2 to acquire the water rights or waterworks facilities of any  
3 nonprofit purveyor delivering water for domestic use whose  
4 service area is adjacent to the district without first obtaining  
5 the consent of the purveyor.

6 10. To enter upon any land, to make surveys and locate  
7 any necessary improvements, including, without limitation,  
8 lines for channels, conduits, canals, pipelines, roadways and  
9 other rights-of-way, to acquire property necessary or  
10 convenient for the construction, use, supply, maintenance,  
11 repair and improvement of such improvements, including  
12 works constructed and being constructed by private owners,  
13 lands for reservoirs for the storage of necessary water, and all  
14 necessary appurtenances, and, where necessary and for the  
15 purposes and uses set forth in this section, to acquire and hold  
16 the stock of corporations, domestic or foreign, owning water  
17 or water rights, canals, waterworks, franchises, concessions  
18 or other rights.

19 11. To enter into and do any acts necessary or proper for  
20 the performance of any agreement with the United States, or  
21 any state, county or district of any kind, public or private  
22 corporation, association, firm or natural person, or any  
23 number of them, for the joint acquisition, construction,  
24 leasing, ownership, disposition, use, management,  
25 maintenance, repair or operation of any rights, works or other  
26 property of a kind which may be lawfully acquired or owned  
27 by the District.

28 12. To acquire the right to store water in any reservoirs,  
29 or to carry water through any canal, ditch or conduit not  
30 owned or controlled by the District, and to grant to any owner  
31 or lessee the right to the use of any water or right to store  
32 such water in any reservoir of the District, or to carry such  
33 water through any tunnel, canal, ditch or conduit of the  
34 District.

35 13. To enter into and do any acts necessary or proper for  
36 the performance of any agreement with any district of any  
37 kind, public or private corporation, association, firm or  
38 natural person, or any number of them, for the transfer or  
39 delivery to any district, corporation, association, firm  
40 or natural person of any water right or water pumped, stored,  
41 appropriated or otherwise acquired or secured for the use of  
42 the District, or for the purpose of exchanging the water or  
43 water right for any other water, water right or water supply to  
44 be delivered to the district by the other party to the  
45 agreement.



1           14. To cooperate and act in conjunction with the State of  
2 Nevada or any of its engineers, officers, boards, commissions,  
3 departments or agencies, with the government of the United  
4 States or any of its engineers, officers, boards, commissions,  
5 departments or agencies, or with any public or private  
6 corporation, to construct any work for the development,  
7 importation or distribution of water of the District, for the  
8 protection of life or property therein, or for the conservation  
9 of its water for beneficial use within the district, or to carry  
10 out any other works, acts or purposes provided for in sections  
11 1 to 15, inclusive, of this act, and to adopt and carry out any  
12 definite plan or system of work for any of the purposes  
13 described in sections 1 to 15, inclusive, of this act.

14           15. To store water in surface or underground reservoirs  
15 within or without the District for the common benefit of the  
16 District, to conserve and reclaim water for present and future  
17 use within the District, to appropriate and acquire water and  
18 water rights and import water into the District for any useful  
19 purpose to the District, and to commence, maintain, intervene  
20 in and compromise in the name of the District, or otherwise,  
21 and assume the costs and expenses of any action or  
22 proceeding involving or affecting:

23           (a) The ownership or use of water or water rights within  
24 or without the District used or useful for any purpose of the  
25 District or of common benefit to any land situated therein;

26           (b) The wasteful use of water within the District;

27           (c) The interference with or diminution of water or water  
28 rights within the District;

29           (d) The contamination or pollution of the surface or  
30 subsurface water used in the District or any other act that  
31 otherwise renders such water unfit for beneficial use; and

32           (e) The interference with this water that may endanger or  
33 damage the residents, lands or use of water in the District.

34           16. To sell and distribute water under the control of the  
35 District, without preference, to any natural person, firm,  
36 corporation, association, district, agency or inhabitant, public  
37 or private, for use within the service area, to , *except as*  
38 *otherwise provided in section 3.2*, fix, establish and adjust  
39 rates, classes of rates, terms and conditions for the sale and  
40 use of such water, and to sell water for use outside the service  
41 area upon a finding by the Board that there is a surplus of  
42 water above that amount required to serve customers within  
43 the service area.

44           17. To cause taxes to be levied and collected for the  
45 purposes prescribed in sections 1 to 15, inclusive, of this act,





1 including the payment of any obligation of the District during  
2 its organizational state and thereafter, and necessary  
3 engineering costs, and to assist in the operational expenses of  
4 the District, until such taxes are no longer required.

5 18. To supplement the surface and groundwater  
6 resources of Virgin Valley by the importation and use of  
7 water from other sources for industrial, irrigation, municipal  
8 and domestic uses.

9 19. To restrict the use of district water during any  
10 emergency caused by drought or other threatened or existing  
11 water shortage, and to prohibit the waste of district water at  
12 any time through the adoption of ordinances, rules or  
13 regulations and the imposition of fines for violations of those  
14 ordinances, rules and regulations.

15 20. To annex area into the District in the manner  
16 prescribed for cities in chapter 268 of NRS.

17 21. To supply water under contract or agreement, or in  
18 any other manner, to the United States or any department or  
19 agency thereof, the State of Nevada, Clark County, Nevada,  
20 and any city, town, corporation, association, partnership or  
21 natural person situated in Clark County, Nevada, and to  
22 deliver water to those users in Mohave County, Arizona, who  
23 are located in the Virgin Valley in accordance with the  
24 provisions of NRS 533.515 and 533.520, for an appropriate  
25 charge, consideration or exchange made therefor, when such  
26 supply is available or can be developed as an incident of or in  
27 connection with the primary functions and operations of the  
28 District.

29 22. To create assessment districts to extend mains,  
30 improve distribution systems and acquire presently operating  
31 private water companies and mutual water distribution  
32 systems.

33 23. To accept from the Government of the United States  
34 or any of its agencies financial assistance or participation in  
35 the form of grants-in-aid or any other form in connection with  
36 any of the functions of the District.

37 24. To assume the obligations of the Bunkerville Water  
38 User's Association, a nonprofit corporation, in providing  
39 water service to users in the District's service area.

40 25. To assume the obligations of the Mesquite  
41 Farmstead Water Association, a nonprofit corporation, in  
42 providing water service to users in the District's service area  
43 and in its certificated service area in Mohave County,  
44 Arizona, pursuant to the certificate of public convenience and



1 necessity granted to the Mesquite Farmstead Water  
2 Association by the State of Arizona.

3 26. To conduct business in Mohave County, Arizona,  
4 upon qualifying to do so pursuant to the laws of that state.

5 27. To do all acts and things reasonably implied from  
6 and necessary for the full exercise of all powers of the district  
7 granted by sections 1 to 15, inclusive, of this act.

8 **Sec. 5.** This act becomes effective on July 1, 2017.

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