Amendment No. 884

Senate Amendment to A	Assembly Bill No. 513 First Repr	int (BDR 25-1380)					
Proposed by: Senate Committee on Government Affairs							
Amends: Summary: No	Title: Yes Preamble: No Joint Spo	onsorship: No Digest: Yes					

ASSEMBLY	ACT	TION	Initial and Date	SENATE ACTION	ON Initial and Date
Adopted		Lost		Adopted	Lost
Concurred In		Not	1	Concurred In	Not
Receded		Not	1	Receded	Not

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) *green bold italic underlining* is new language proposed in this amendment; (3) red strikethrough is deleted language in the original bill; (4) purple double strikethrough is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill that is proposed to be retained in this amendment; and (6) green bold is newly added transitory language.

SJA/EGO Date: 5/24/2007

A.B. No. 513—Revises provisions relating to general improvement districts. (BDR 25-1380)

* A A B 5 1 3 R 1 8 8 4 *

ASSEMBLY BILL No. 513-COMMITTEE ON GOVERNMENT AFFAIRS

MARCH 23, 2007

Referred to Committee on Government Affairs

SUMMARY—Revises provisions relating to general improvement districts. (BDR 25-1380)

FISCAL NOTE: Effect on Local Government: No.

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 general improvement districts; fallowing the board of trustees of a general improvement district to be created or reorganized as either a five-member or seven-member board under certain circumstances; requiring the creation of certain general improvement districts in certain counties within the sphere of influence of certain cities; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes each board of county commissioners to create general improvement districts within the county and to appoint five persons to serve as the first board of trustees of each district. (NRS 318.080) Sections 1 and 2 of this bill authorize a board of county semmissioners, in the alternative, to appoint seven persons to such a board of trustees but provide additionally that no general improvement district which is created or reorganized on or after October 1, 2007, may have a board of trustees that consists of seven members unless the board of county commissioners of the county in which the district is located also consists of seven members. Sections 3-5 of this bill amend provisions regarding general improvement districts to account for boards of trustees with either five or seven members.

Existing law authorizes qualified electors of a general improvement district to potition the board of county commissioners for the creation of election areas within the district, each area to be represented by one member of the board of trustees of the district. Under existing law, election areas within a general improvement district may be altered or abolished in the same manner in which they are created. (NRS 318.0952) Section 6 of this bill clarifies that the petition process may be used to reorganize as well as to create election areas. Section 6 requires the election areas specified in the petition to provide, to the extent practicable, proportional representation for the residents of each election area and requires each board of county commissioners, when determining whether the creation of the election areas is desirable, to consider whether the areas provide such proportional representation. Section 6 also requires the petition to specify which two of the election areas will be represented by two members of the board of trustees instead of one, which occurs when the board consists of seven members and there are five election areas, and provides for the election of trustees from areas that will be represented by two members of the board.

Existing law, under certain erroumstances, allows the board of county commissioners of a county to serve ex officio as the board of trustees of a general improvement district. However, existing law prohibits such an arrangement if the district exercises other than certain enumerated powers. (NRS 318.0953) Section 7 of this bill provides that, in a county of any

size, the board of county commissioners of the county may serve ex officio as the board of trustees of a general improvement district organized on or after October 1, 2007, regardless of which basic powers the district exercises.

Under existing law, a general improvement district is authorized to borrow money and issue short term indicia of debt upon the affirmative vote of four trustees. (NRS 318-280) Section 8 of this bill changes the voting requirement to a majority plus one additional trustee, thus preserving the voting requirement for five member boards, and similarly requiring sevenment boards to approve such actions by greater than a simple majority.

Existing law authorizes each board of county commissioners to create general improvement districts within the county. (Chapter 318 of NRS) This bill requires the board of county commissioners of a county whose population is 100,000 or more but less than 400,000 (currently Washoe County) to create one such district of at least 5,000 acres within the sphere of influence of a city whose population is 100,000 or more (currently Reno) and one such district of at least 2,000 acres within the sphere of influence of a city whose population is 60,000 or more but less than 100,000 (currently Sparks).

Section 2 of this bill provides the prerequisites for creating such a general improvement district. Section 3 of this bill provides for the governing body of the city in whose sphere of influence the district is located to initially serve as the board of trustees of the district. After establishing a budget and certain accounting, auditing and management standards for the district and upon the district containing at least two qualified electors, the governing body of the city is required to appoint five members to serve as the board of trustees. After the initial terms of these appointed members, the board of trustees will consist of two members elected by the qualified electors of the district and three members appointed by the governing body of the city.

Section 4 of this bill provides a procedure for adding basic powers to the general improvement district that were not provided in its formation and authorizes territory contiguous to the district to be added to the district. Section 5 of this bill provides for the merger of the general improvement district with the city within whose sphere of influence the district is located when all the territory of the district has been annexed by the city.

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

Delete existing sections 1 through 8 of this bill and replace with the following new sections 1 through 40:

 Section 1. Chapter 318 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 8, inclusive, of this act.

- Sec. 2. 1. Subject to the provisions of subsection 2, the board of county commissioners of a county whose population is 100,000 or more but less than 400,000 shall create:
- (a) Within the sphere of influence of an incorporated city in the county whose population is 100,000 or more, one district comprising at least 5,000 acres; and
- (b) Within the sphere of influence of an incorporated city in the county whose population is 60,000 or more but less than 100,000, one district comprising at least 2,000 acres.
- 2. A board of county commissioners shall adopt an ordinance creating a district pursuant to this section if:
 - (a) Each owner of property located within the proposed district:
- (1) Files with the board of county commissioners a request for the creation of such a district; and

- (2) Applies for annexation to the city within whose sphere of influence the property is located;
- (b) The governing body of the city within whose sphere of influence the proposed district is located has made the following findings:
- (1) Public convenience and necessity require the creation of the proposed district;
- (2) The creation of the proposed district is economically sound and feasible; and

(3) The service plan for the proposed district:

- (I) Meets the requirements of subsection 1 of NRS 308.030;
- (II) Does not meet any of the criteria for disapproval of a service plan enumerated in NRS 308.060; and
- (III) Provides for adequate police protection for the proposed district and for the funding of such police protection; and
- (c) The board of county commissioners has had an opportunity to review and make advisory comments on the findings of the governing body of the city described in paragraph (b).
- 3. The adoption of the ordinance creating a district pursuant to this section finally and conclusively establishes the regular organization of the district against all persons, which district thereafter is a governmental subdivision of the State of Nevada, a body corporate and politic and a quasi-municipal corporation.
- 4. Within 30 days after the effective date of the ordinance creating the district, the county clerk shall file a copy of the ordinance in his office and shall cause to be filed an additional copy of the ordinance in the Office of the Secretary of State, which filings must be without fee and be otherwise in the same manner as articles of incorporation are required to be filed under chapter 78 of NRS.
- Sec. 3. 1. After adopting an ordinance creating a district pursuant to section 2 of this act, and before appointing the first board of trustees for the district pursuant to subsection 3, the governing body of the city within whose sphere of influence the district is located is ex officio the board of trustees for the district and has the authority provided to and shall undertake the duties imposed on a board of trustees by this chapter, including, without limitation, the duties and powers pursuant to NRS 318.0953, 318.09533 and 318.09535 with respect to a board of county commissioners acting ex officio as the board of trustees of the district.
- 2. While acting as the board of trustees of the district, the governing body shall establish:
 - (a) Accounting practices and procedures to be used by the district;
 - (b) Auditing practices and procedures to be used by the district;
- (c) A budget for the district;

- (d) Management standards for the district; and
- (e) The compensation and bonds required of the trustees.
- 3. After the governing body has performed the duties required by subsection 2 and upon the district containing at least two qualified electors, the governing body shall:
 - (a) Appoint two qualified electors of the district to serve as members of the board of trustees of the district and shall specify therein the terms of office to the first Monday in January next following the respective election dates provided in subsection 4 of NRS 318.095; and
- (b) Appoint three qualified electors of the district or of the city, each of whom may be a member of the governing body, to serve as members of the board of trustees of the district.

The members of the board of trustees shall qualify by filing with the county clerk their oaths of office and corporate surety bonds.

After the expiration of the terms of office of the members of the board appointed pursuant to paragraph (a) of subsection 3, the board of trustees of a district created pursuant to section 2 of this act shall consist of two members elected pursuant to subsection 4 of NRS 318.095 and three members, who must be qualified electors of either the district or the city and may be a member of the governing body of the city, appointed by the governing body of the city.

The members of the board of trustees of a district created pursuant to section 2 of this act who are appointed by the governing body of a city may be removed from the board by a vote of a majority of the members of the governing

body of the city.

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The members of the board of trustees of a district created pursuant to section 2 of this act who are elected may be removed in the manner set forth in NRS 318.0955.

Sec. 4. 1. The board of trustees of a district created pursuant to section 2 of this act has the authority provided to and shall undertake the duties imposed

on a board of trustees by this chapter.

The board of trustees of a district created pursuant to section 2 of this act may elect to add basic powers not provided in its formation, in which event the board shall cause proceedings to be had by the governing body of the city in whose sphere of influence the district is located. The board shall obtain in connection with each such additional basic power a modified service plan for the district in a manner like that provided for an initial service plan required for the organization of a district in the Special District Control Law.

Contiguous territory may be added to a district created pursuant to section 2 of this act in the manner set forth in NRS 318,258 pursuant to a petition filed by the owner of the territory if the owner of the territory has applied for annexation to the city within whose sphere of influence the district is located and the territory is within that sphere of influence. As used in this subsection, "contiguous territory" means real property that abuts a boundary of a district created pursuant to section 2 of this act.

Sec. 5. 1. If all the territory of a district created pursuant to section 2 of this act is annexed pursuant to NRS 268.610 to 268.670, inclusive, the board of county commissioners shall adopt an ordinance providing for the merger of the district and the annexing city and fixing a time and place for a hearing on the merger, to be held not later than 90 days after all the territory of the district has

been annexed.

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 owners of real property within the district, containing the following:

(a) The adoption of the ordinance; and

(b) The time and place for the hearing on the merger.

After the hearing on the merger and upon determining that all outstanding indebtedness and bonds of all kinds of the district have been paid or will be assumed by the resulting merged unit of government, the board of county commissioners shall adopt a final ordinance merging the district and the city.

Except as otherwise provided in subsections 1, 2 and 3, a district created pursuant to section 2 of this act may not be merged, consolidated or dissolved unless the board of trustees of the district consents by a majority vote to the merger, consolidation or dissolution.

Sec. 6. 1. The provisions of sections 2 to 6, inclusive, of this act must not be construed to:

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(a) Preclude any districts, cities or counties from entering into any interlocal 1 2 3 4 5 6 7 8 9 or other agreements regarding services to be provided to a district; (b) Eliminate the duties of any county or other entity to provide services

which it is obligated to provide within its boundaries or by agreement; or

- (c) Impair any authority granted to a city pursuant to NRS 278.010 to 278.630, inclusive, over the territory within the sphere of influence of the city.
- 2. In the event of conflict between the provisions of sections 2 to 6, inclusive, of this act and the provisions of this chapter and chapter 308 of NRS, the provisions of sections 2 to 6, inclusive, of this act control.

Sec. 7. In the case of a district created pursuant to section 2 of this act, wholly or in part for the purpose of furnishing police protection, the board may:

- 1. Acquire police protection equipment and acquire, construct or improve police protection facilities and make improvements necessary and incidental thereto; and
- 2. Coordinate police protection activities with any local law enforcement agency located within the district.
- Sec. 8. In the case of a district created pursuant to section 2 of this act, wholly or in part for furnishing snow removal services, the board may:

1. Acquire and maintain any equipment and property necessary for those

- 2. Hire and supervise personnel necessary to carry out the functions of the district; and
- 3. Fix rates or charges for the use of the services furnished by the district and change those rates or charges as it considers necessary.

NRS 318.020 is hereby amended to read as follows:

- 318.020 As used in this chapter, unless the context otherwise requires:
- 1. "Acquisition," "acquire" and "acquiring" each means acquisition, extension, alteration, reconstruction, repair or other improvement by purchase, construction, installation, reconstruction, condemnation, lease, rent, gift, grant, bequest, devise, contract or other acquisition, or any combination thereof.
- "Board of trustees" and "board" alone each means the board of trustees of a district.
- "FM radio" means a system of radio broadcasting by means of frequency modulation.
- 4. "General improvement district" and "district" alone each means any general improvement district organized or, in the case of organizational provisions, proposed to be organized, pursuant to this chapter.
- "Mail" means a single mailing first class or its equivalent, postage prepaid, by deposit in the United States mails, at least 15 days before the designated time or event.
- "Project" and "improvement" each means any structure, facility, undertaking or system which a district is authorized to acquire, improve, equip, maintain or operate. A project may consist of all kinds of personal and real property, including, but not limited to, 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.
- "Publication" means publication once in a newspaper of general circulation in the district at least 15 days before the designated time or event.
- "Qualified elector" means a person who has registered to vote in district elections.

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general improvement district pursuant to this chapter.

"Special assessment district" means any local public improvement district organized within a general improvement district by the board of trustees of such

"Sphere of influence" has the meaning ascribed to it in NRS 268.623.

11. "Trustees" means the members of a board.

Sec. 10. NRS 318.050 is hereby amended to read as follows:

1. Except as otherwise provided in this chapter, the board of county commissioners of any county within this State is hereby vested with jurisdiction, power and authority to create districts within the county which it serves.

No member of a board of county commissioners, governing body of a city or board of trustees shall be disqualified to perform any duty imposed by this

chapter by reason of ownership of property within any proposed district.

3. If the boundaries of a proposed district include territory within two or more counties, the board of county commissioners of the county in which is located the larger or largest proportion of the area of the proposed district has the jurisdiction, power and authority to create the district, to broaden its basic powers and otherwise to supervise the district as provided in this chapter.

NRS 318.055 is hereby amended to read as follows:

318.055 Except as otherwise provided in section 2 of this act:

The formation of a district may be initiated by:

(a) A resolution adopted by the board of county commissioners; or

(b) A petition proposed by any owner of property to be located in the district.

After adoption of the resolution or receipt of the petition the organization of the district must be initiated by the adoption of an ordinance by the board of county commissioners, which is in this chapter sometimes designated the "initiating ordinance." No initiating ordinance may be adopted by the board of county commissioners if the proposed district includes any real property within 7 miles from the boundary of an incorporated city or unincorporated town unless:

(a) All members of the board of county commissioners unanimously vote for the organization of a district with boundaries which contravene this 7-mile

limitation;

- (b) A petition for annexation to or inclusion within the incorporated city or unincorporated town of that property has first been filed with the governing body of the incorporated city or unincorporated town pursuant to law and the governing body thereof has refused to annex or include that property and has entered the fact of that refusal in its minutes;
- (c) No part of the area within the district is eligible for inclusion in a petition for such an annexation; or

(d) The governing body of the incorporated city or the town board of the unincorporated town, by resolution, consents to the formation of the district.

3. Except as is otherwise provided in this chapter, a district may be entirely within or entirely without, or partly within and partly without, one or more municipalities or counties, and the district may consist of noncontiguous tracts or parcels of property.

4. The initiating ordinance must set forth:

(a) The name of the proposed district, consisting of a chosen name preceding the word "District," or, if the district is authorized to exercise more than one basic power, the words "General Improvement District." If a district's name as provided in the organizational proceedings does not include the words Improvement," and if subsequently any additional basic power is granted to the district pursuant to NRS 318.077, the board of county commissioners may redesignate the district with a chosen name preceding the words "General Improvement District."

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- (b) A statement of the basic power or basic powers for which the district is proposed to be created, H for instance, by way of illustration, "for paving, curb and gutters, sidewalks, storm drainage and sanitary sewer improvements within the district. [**). The basic power or basic powers stated in the initiating ordinance must be one or more of those authorized in NRS 318.116, as supplemented by the sections of this chapter designated therein.
- (c) A statement that the ordinance creating the district will be based on the board's finding:
- (1) That public convenience and necessity require the creation of the district;
 - (2) That the creation of the district is economically sound and feasible;
- (3) That the service plan for the district conforms to subsection 1 of NRS 308.030; and
- (4) That the service plan for the district does not contravene any of the criteria enumerated in subsection 1 of NRS 308.060.
- (d) A general description of the boundaries of the district or the territory to be included therein, with such certainty as to enable an owner of property to determine whether his property is within the district.
 - (e) The place and time for the hearing on the creation of the district.

NRS 318.060 is hereby amended to read as follows:

- After such initiating ordinance has been adopted by the board of county commissioners pursuant to NRS 318.055, the county clerk shall mail written notice to all property owners within the proposed district of the intention of the board of county commissioners to establish such district, which notice shall set forth the name, statement of purposes, general description and time and place of hearing.
 - Sec. 13. NRS 318.065 is hereby amended to read as follows:
 - Except as otherwise provided in section 2 of this act:
- Any person who owns property which is located within the district may, on or before the date fixed, protest against the establishment of such district, in writing, which protest shall be filed with the county clerk of such county.
- If, at or before the time fixed in the initiating ordinance and notice, written protest is filed, signed by a majority of the owners of property within such proposed district, the district shall not be established.
- If any written protests are filed and the board of county commissioners determines that the protests so filed represent less than a majority of the owners of property within the district, the board of county commissioners, in its discretion but subject to the limitation provided by NRS 318.070, may proceed with the creation of the district. If the board of county commissioners does so proceed, the ordinance of the board of county commissioners creating the district, for which provision is made in this chapter, shall contain a recital of the number of protests filed and such recital is binding and conclusive for all purposes.
 - NRS 318.070 is hereby amended to read as follows:
 - Except as otherwise provided in section 2 of this act:
- At the place, date and hour specified for the hearing in the notice or at any subsequent time to which the hearing may be adjourned, the board of county commissioners shall give full consideration to all protests which may have been filed and shall hear all persons desiring to be heard and shall thereafter adopt an ordinance either creating the district or determining that it shall not be created.
- If the board of county commissioners determines at the hearing that the proponents of such proposed district have failed to show that creation of the district is required by public convenience and necessity or have failed to show that the

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creation of such district is economically sound and feasible, or both, it shall adopt an ordinance determining that it shall not be created.

Any ordinance creating a district may contain such changes as may be considered by the board of county commissioners to be equitable and necessary.

NRS 318.075 is hereby amended to read as follows: Except as otherwise provided in section 2 of this act:

Except as otherwise provided in subsection 2, the adoption of the ordinance creating the district shall finally and conclusively establish the regular organization

of the district against all persons, which district shall thenceforth be a governmental subdivision of the State of Nevada, a body corporate and politic and a quasimunicipal corporation.

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Within 30 days immediately following the effective date of such ordinance any person who has filed a written protest, as provided in NRS 318.065, shall have the right to commence an action in any court of competent jurisdiction to set aside such determination. Thereafter all actions or suits attacking the regularity, validity and correctness of that ordinance and all proceedings, determinations and instruments taken, adopted or made prior to such ordinance's final passage, shall be perpetually barred.

Within 30 days after the effective date of the ordinance creating the district, the county clerk shall file a copy of the ordinance in his office and shall cause to be filed an additional copy of the ordinance in the Office of the Secretary of State, which filings shall be without fee and be otherwise in the same manner as articles

of incorporation are required to be filed under chapter 78 of NRS.

NRS 318.077 is hereby amended to read as follows:

318.077 [The] Except as otherwise provided in section 4 of this act, the board may elect to add basic powers not provided in its formation, in which event the board shall cause proceedings to be had by the board of county commissioners similar, as nearly as may be, to those provided for the formation of the district, and with like effect. The board shall obtain in connection with each such additional basic power a modified service plan for the district in a manner like that provided for an initial service plan required for the organization of a district in the Special District Control Law.

Sec. 17. NRS 318.080 is hereby amended to read as follows: Except as otherwise provided in section 3 of this act:

After adopting an ordinance creating a district and before appointing the first board of trustees for the district, the board of county commissioners is, ex officio, the board of trustees for the district.

While acting as the board of trustees, the board of county commissioners shall establish:

(a) Accounting practices and procedures for the district;

- (b) Auditing practices and procedures to be used by the district;
- (c) A budget for the district; and

(d) Management standards for the district.

- Except as otherwise provided in NRS 318.0953 and 318.09533, after the board of county commissioners has performed the duties required by subsection 2, it shall appoint five persons to serve as the first board of trustees of the district and shall specify therein the terms of office to the first Monday in January next following the respective election dates provided in NRS 318.095. Except as otherwise provided in subsection 5, these persons must be qualified electors of the district.
- The members of the board of trustees shall qualify by filing with the county clerk their oaths of office and corporate surety bonds, at the expense of the district, the bonds to be in an amount not more than \$10,000 each, the form and exact

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amount thereof to be approved and determined, respectively, by the board of county commissioners, conditioned for the faithful performance of their duties as trustees. The board of county commissioners may from time to time, upon good cause shown, increase or decrease the amount of the bond.

- The board of county commissioners may appoint as one of the five initial trustees as provided by subsection 1 the district attorney for the county or a deputy district attorney on his staff. Such appointee need not be a qualified elector of the district, but no such attorney is qualified for appointment to fill any vacancy on the board pursuant to NRS 318.090 or qualified as a candidate for election to the board at any biennial election pursuant to NRS 318.095 unless he is a qualified elector of the district.
- 6. The board of county commissioners of the county vested with jurisdiction pursuant to NRS 318.050 may remove any trustee serving on an appointed or elected board of trustees for cause shown, on petition, hearing and notice thereof by publication and by mail addressed to the trustee.

NRS 318.085 is hereby amended to read as follows: Sec. 18.

Except as otherwise provided in NRS 318.0953 and 318.09533:

- After taking oaths and filing bonds, the board shall choose one of its members as chairman of the board and president of the district, and shall elect a secretary and a treasurer of the board and of the district, who may or may not be members of the board. The secretary and the treasurer may be one person.
 - The board shall adopt a seal.
- The secretary shall keep audio recordings or transcripts of all meetings and, in a well-bound book, a record of all of the board's proceedings, minutes of all meetings, any certificates, contracts, bonds given by employees and all corporate acts. Except as otherwise provided in NRS 241.035, the book, audio recordings, transcripts and records must be open to inspection of all owners of real property in the district as well as to all other interested persons.
- The treasurer shall keep strict and accurate accounts of all money received by and disbursed for and on behalf of the district in permanent records. He shall file with the county clerk, at the expense of the district, a corporate surety bond in an amount not more than \$50,000, the form and exact amount thereof to be approved and determined, respectively, by the board of county commissioners, conditioned for the faithful performance of the duties of his office. Any other officer or trustee who actually receives or disburses money of the district shall furnish a bond as provided in this subsection. The board of county commissioners may, upon good cause shown, increase or decrease the amount of that bond.
- 5. Except as otherwise provided in this subsection and section 3 of this act, each member of a board of trustees of a district organized or reorganized pursuant to this chapter may receive as compensation for his service not more than \$6,000 per year. Each member of a board of trustees of a district that is organized or reorganized pursuant to this chapter and which is granted the powers set forth in NRS 318.140, 318.142 and 318.144 may receive as compensation for his service not more than \$9,000 per year. The compensation of the members of a board is payable monthly, if the budget is adequate and a majority of the members of the board vote in favor of such compensation, but no member of the board may receive any other compensation for his service to the district as an employee or otherwise. Each member of the board must receive the same amount of compensation. If a majority of the members of the board vote in favor of an increase in the compensation of the trustees, the increase may not become effective until January 1 of the calendar year immediately following the next biennial election of the district as set forth in NRS 318.095.

Sec. 19. NRS 318.090 is hereby amended to read as follows:

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318.090 Except as otherwise provided in NRS 318.0953 and 318.09533:

- 1. The board shall, by resolution, designate the place where the office or principal place of the district is to be located, which must be within the corporate limits of the district, and which may be changed by resolution of the board. Copies of all those resolutions must be filed with the county clerk or clerks of the county or counties wherein the district is located within 5 days after their adoption. The official records and files of the district must be kept at that office and must be open to public inspection as provided in NRS 239.010.
- 2. The board of trustees shall meet regularly at least once each year, and at such other times at the office or principal place of the district as provided in the bylaws.
- 3. Special meetings may be held on notice to each member of the board as often as, and at such places within the district as, the needs of the district require.
 - 4. Three members of the board constitute a quorum at any meeting.
- 5. A vacancy on the board must be filled by a qualified elector of the district chosen by the remaining members of the board, the appointee to act until a successor in office qualifies as provided in NRS 318.080 or section 3 of this act on or after the first Monday in January next following the next biennial election, held in accordance with NRS 318.095, at which election the vacancy must be filled by election if the term of office extends beyond that first Monday in January. Nominations of qualified electors of the district as candidates to fill unexpired terms of 2 years may be made the same as nominations for regular terms of 4 years, as provided in NRS 318.095. If the board fails, neglects or refuses to fill any vacancy within 30 days after the vacancy occurs, the board of county commissioners shall fill that vacancy.
- 6. Each term of office of 4 years terminates on the first Monday in January next following the general election at which a successor in office is elected, as provided in NRS 318.095. The successor's term of office commences then or as soon thereafter as the successor qualifies as provided in NRS 318.080 [] or section 3 of this act, subject to the provisions in this chapter for initial appointments to a board, for appointments to fill vacancies of unexpired terms, and for the reorganizations of districts under this chapter which were organized under other chapters of NRS.
 - Sec. 20. NRS 318.095 is hereby amended to read as follows:
 - 318.095 Except as otherwise provided in NRS 318.0953:
- 1. There must be held simultaneously with the first general election in the county after the creation of the district and simultaneously with every general election thereafter an election to be known as the biennial election of the district. The election must be conducted under the supervision of the county clerk or registrar of voters. A district shall reimburse the county clerk or registrar of voters for the costs he incurred in conducting the election for the district.
- 2. The office of trustee is a nonpartisan office. The general election laws of this State govern the candidacy, nominations and election of a member of the board. The names of the candidates for trustee of a district may be placed on the ballot for the primary or general election.
- 3. [At] Except as otherwise provided in subsection 4, at the first biennial election in any district organized or reorganized and operating under this chapter, and each fourth year thereafter, there must be elected by the qualified electors of the district two qualified electors as members of the board to serve for terms of 4 years. At the second biennial election and each fourth year thereafter, there must be so elected three qualified electors as members of the board to serve for terms of 4 years.

4. At the first biennial election in any district created pursuant to section 2 of this act, and each fourth year thereafter, there must be elected by the qualified electors of the district one qualified elector as a member of the board to serve for a term of 4 years. At the second biennial election and each fourth year thereafter, there must be so elected one qualified elector as a member of the board to serve for a term of 4 years.

5. The secretary of the district shall give notice of election by publication, and

<u>5.</u> The secretary of the district shall give notice of election by publication, and shall arrange such other details in connection therewith as the county clerk or registrar of voters may direct.

[5] 6. Any new member of the board must qualify in the same manner as members of the first board qualify.

Sec. 21. NRS 318.0951 is hereby amended to read as follows:

318.0951 Except as otherwise provided in NRS 318.0952 or 318.0953:

- 1. Each trustee elected at any biennial election must be chosen by a plurality of the qualified electors of the district voting on the candidates for the vacancies to be filled.
- 2. If there is one regular term which ends on the first Monday in January next following the biennial election, the qualified elector receiving the highest number of votes must be elected. If there are two regular terms which end on the first Monday in January next following the biennial election, the two qualified electors receiving the highest and next highest number of votes must be elected. If there are three regular terms so ending, the three qualified electors receiving the highest, next highest and third highest number of votes must be elected.
- 3. If there is a vacancy in an unexpired regular term to be filled at the biennial election, as provided in subsection 5 of NRS 318.090, the candidate who receives the highest number of votes, after there are chosen the successful candidates to fill the vacancies in expired regular terms as provided in subsection 2, must be elected.

Sec. 22. NRS 318.0952 is hereby amended to read as follows:

318.0952 Except as otherwise provided in NRS 318.0953 [+], and except for districts created pursuant to section 2 of this act:

- 1. Trustees may be elected in the alternate manner provided in this section from election areas within the district.
- 2. Within 30 days before May 1 of any year in which a general election is to be held in the State, 10 percent or more of the qualified electors of the district voting at the next preceding biennial election of the district may file a written petition with the board of county commissioners of the county vested with jurisdiction under NRS 318.050 praying for the creation of election areas within the district in the manner provided in this section. The petition must specify with particularity the five areas proposed to be created. The description of the proposed election areas need not be given by metes and bounds or by legal subdivisions, but must be sufficient to enable a person to ascertain what territory is proposed to be included within a particular area. The signatures to the petition need not all be appended to one paper, but each signer must add to his name his place of residence, giving the street and number whenever practicable. One of the signers of each paper shall take an oath, before a person competent to administer oaths, that each signature to the paper appended is the genuine signature of the person whose name it purports to be.
- 3. Immediately after the receipt of the petition, the board of county commissioners shall fix a date for a public hearing to be held during the month of May, and shall give notice thereof by publication at least once in a newspaper published in the county, or if no such newspaper is published therein then in a newspaper published in the State of Nevada and having a general circulation in the

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county. The costs of publication of that notice are a proper charge against the district fund.

- 4. If, as a result of the public hearing, the board of county commissioners finds that the creation of election areas within the district is desirable, the board of county commissioners shall, by resolution regularly adopted before June 1, divide the district into the areas specified in the petition, designate them by number and define their boundaries. The territory comprising each election area must be contiguous. One trustee must be elected from each election area by a majority of the qualified electors voting on the candidates for any vacancy for that area as provided in subsection 7.
- 5. Before June 1 and immediately following the adoption of the resolution creating election areas within a district, the clerk of the board of county commissioners shall transmit a certified copy of the resolution to the secretary of the district.
- Upon the creation of election areas within a district, the terms of office of all trustees then in office expire on the first Monday of January thereafter next following a biennial election. At the biennial election held following the creation of election areas within a district, district trustees to represent the odd-numbered election areas must be elected for terms of 4 years and district trustees to represent the even-numbered election areas must be elected for terms of 2 years. Thereafter, at each biennial election, the offices of trustees must be filled for terms of 4 years in the order in which the terms of office expire.
- 7. Candidates for election as a trustee representing any election area must be elected only by those qualified electors of the district residing in that area. No qualified elector may vote in more than one election area at any one time.
- A candidate for the office of trustee of a district in which election areas have been created must be a qualified elector of the district and must be a resident of the election area which he seeks to represent.
- Election areas may be altered or abolished in the same manner as provided in this section for the creation of election areas and the election of trustees therefor.
 - NRS 318.0953 is hereby amended to read as follows: Sec. 23.
 - Except as otherwise provided in section 2 of this act:
- In every county whose population is 400,000 or more, the board of county commissioners is, and in counties whose population is less than 400,000 the board of county commissioners may be, ex officio, the board of trustees of each district organized or reorganized pursuant to this chapter and authorized to exercise the basic power of furnishing facilities for sewerage as provided in NRS 318.140, without regard to whether the district is also authorized to furnish facilities for storm drainage, but excluding any district which is authorized, in addition to those basic powers, to exercise any one or more other basic powers designated in this chapter, except as provided in subsections 2 and 4.
- The board of county commissioners of any county may be, at its option, ex officio, the board of trustees of any district organized or reorganized pursuant to this chapter and authorized to exercise the basic power of furnishing facilities for water as provided in NRS 318.144, or, furnishing both facilities for water and facilities for sewerage as provided in NRS 318.144 and 318.140, respectively, without regard to whether the district is also authorized to furnish facilities for storm drainage, but excluding any district which:
- (a) Is authorized, in addition to its basic powers, to exercise any one or more other basic powers designated in this chapter.
- (b) Is organized or reorganized pursuant to this chapter, the boundaries of which include all or a portion of any incorporated city or all or a portion of a district for water created by special law.

furnishing emergency medical services as provided in NRS 318.1185, which district may overlap the territory of any district authorized to exercise any one or more other basic powers designated in this chapter.

4. A board of county commissioners may exercise the options provided in subsections 1, 2 and 3 by providing in the ordinance creating the district or in an ordinance thereafter adopted at any time that the board is, ex officio, the board of trustees of the district. The board of county commissioners shall, in the former case, be the board of trustees of the district when the ordinance creating the district becomes effective, or in the latter case, become the board of the district 30 days after the effective date of the ordinance adopted after the creation of the district. In

3. In every county whose population is less than 100,000, the board of county commissioners may be, ex officio, the board of trustees of each district organized or reorganized pursuant to this chapter and authorized to exercise the basic power of

- the latter case within the 30-day period the county clerk shall promptly cause a copy of the ordinance to be:

 (a) Filed in his office;
 - (b) Transmitted to the secretary of the district; and
- (c) Filed in the Office of the Secretary of State without the payment of any fee and otherwise in the same manner as articles of incorporation are required to be filed under chapter 78 of NRS.
 - Sec. 24. NRS 318.0955 is hereby amended to read as follows:
- 318.0955 [Members] Except as otherwise provided in section 3 of this act, members of the board of trustees are subject to recall from office pursuant to the provisions of the Constitution and statutes of this State.
 - Sec. 25. NRS 318.098 is hereby amended to read as follows:
- 318.098 1. The board of trustees of any district may request, in writing, assistance from any elected or appointed officer of the county in which the district is located or if the district was created pursuant to section 2 of this act, the city within whose sphere of influence the district is located.
- 2. The officer shall furnish the requested assistance, after an agreement has been reached concerning the amount of money which the board of trustees shall pay for the assistance. The cost shall not be more than the actual additional expense necessitated by the request.
- 3. The board shall, by a resolution spread upon its minutes, order payment made in the amount, in each case, which was agreed upon by the board of trustees and the officer furnishing the assistance.
 - Sec. 26. NRS 318.116 is hereby amended to read as follows:
- 318.116 Any one, all or any combination of the following basic powers may be granted to a district in proceedings for its organization, or its reorganization pursuant to NRS 318.077 and all provisions in this chapter supplemental thereto, or as may be otherwise provided by statute:
 - 1. Furnishing electric light and power, as provided in NRS 318.117;
- 2. Extermination and abatement of mosquitoes, flies, other insects, rats, and liver fluke or <u>Fasciola hepatica</u>, as provided in NRS 318.118;
- 3. Furnishing facilities or services for public cemeteries, as provided in NRS 318.119;
 - 4. Furnishing facilities for swimming pools, as provided in NRS 318.1191;
 - 5. Furnishing facilities for television, as provided in NRS 318.1192;
 - 6. Furnishing facilities for FM radio, as provided in NRS 318.1187;
- 7. Furnishing streets and alleys, as provided in NRS 318.120;
 - 8. Furnishing curbs, gutters and sidewalks, as provided in NRS 318.125;
 - 9. Furnishing sidewalks, as provided in NRS 318.130;

- 10. Furnishing facilities for storm drainage or flood control, as provided in NRS 318.135;
 - 11. Furnishing sanitary facilities for sewerage, as provided in NRS 318.140;
 - 12. Furnishing facilities for lighting streets, as provided in NRS 318.141;
 - 13. Furnishing facilities for the collection and disposal of garbage and refuse, as provided in NRS 318.142;
 - 14. Furnishing recreational facilities, as provided in NRS 318.143;
 - 15. Furnishing facilities for water, as provided in NRS 318.144;
 - 16. Furnishing fencing, as provided in NRS 318.1195;

- 17. Furnishing facilities for protection from fire, as provided in NRS 318.1181;
 - 18. Furnishing energy for space heating, as provided in NRS 318.1175;
 - 19. Furnishing emergency medical services, as provided in NRS 318.1185;
- 20. Control and eradication of noxious weeds, as provided in chapter 555 of NRS; fand
- 21. Establishing, controlling, managing and operating an area or zone for the preservation of one or more species or subspecies of wildlife that has been declared endangered or threatened pursuant to the federal Endangered Species Act of 1973, 16 U.S.C. §§ 1531 et seq., as provided in NRS 318.1177.
- 22. For a district created pursuant to section 2 of this act, furnishing police protection, as provided in section 7 of this act; and
- 23. For a district created pursuant to section 2 of this act, furnishing snow removal services, as provided in section 8 of this act.
 - Sec. 27. NRS 318.143 is hereby amended to read as follows:
- 318.143 1. Subject to the provisions of subsection 2, the board may acquire, construct, reconstruct, improve, extend and better lands, works, systems and facilities for recreation.
- 2. **Except as otherwise provided in section 2 of this act, if** the proposed recreational facilities are situated within 7 miles from the boundary of an incorporated city or unincorporated town, and if the county in which the proposed recreational facilities are situated has adopted a recreation plan pursuant to NRS 278.010 to 278.630, inclusive, the authority conferred by subsection 1 may be exercised only in conformity with such plan.
- 3. Such recreational facilities may include without limitation exposition buildings, museums, skating rinks, other type rinks, fieldhouses, sports arenas, bowling alleys, swimming pools, stadiums, golf courses, tennis courts, squash courts, other courts, ball fields, other athletic fields, tracks, playgrounds, bowling greens, ball parks, public parks, promenades, beaches, marinas, levees, piers, docks, wharves, boat basins, boathouses, harborages, anchorages, gymnasiums, appurtenant shower, locker and other bathhouse facilities, amusement halls, dance halls, concert halls, theaters, auditoriums, aviaries, aquariums, zoological gardens, biological gardens and vivariums, for any combination thereof.
 - Sec. 28. NRS 318.215 is hereby amended to read as follows:
- 318.215 1. When a district <u>other than a district created pursuant to section</u> <u>2 of this act</u> abuts a city or town, the board shall have the power to convey to such city or town, at the discretion of the district and with the consent of the governing authority thereof, all of the property of such district upon the condition that such city or town:
- (a) Will operate and maintain such property, regardless of whether the area comprising the district is annexed to the municipality; and
- (b) May assume all of the indebtedness of such district upon such conditions as the county or town and the governing body of the district may agree.

2. Upon such conveyance and assumption of indebtedness the district shall be dissolved and a certificate to such effect shall be signed by the clerical officer of the city or town and filed with the Secretary of State and county clerk of any county in which the ordinance creating the district is filed.

Sec. 29. NRS 318.257 is hereby amended to read as follows:

318.257 Except for a district created pursuant to section 2 of this act:

- 1. A fee owner of real property situate in the district, or the fee owners of any real properties which are contiguous to each other and which constitute a portion of the district may file with the board a petition praying that such lands be excluded and taken from the district.
 - 2. Petitions shall:
 - (a) Describe the property which the petitioners desire to have excluded.
- (b) State that the property is not capable of being served with facilities of the district, or would not be benefited by remaining in the district or by any future improvement it might make.
- (c) Be acknowledged in the same manner and form as required in case of a conveyance of land.
- (d) Be accompanied by a deposit of money sufficient to pay all costs of the exclusion proceedings.
- 3. The secretary of the board shall cause a notice of filing of such petition to be published, which notice shall:
 - (a) State the filing of such petition.
 - (b) State the names of the petitioners.
 - (c) Describe the property mentioned in the petition.
 - (d) State the prayer of the petitioners.
- (e) Notify all persons interested to appear at the office of the board at the time named in the notice, showing cause in writing, if any they have, why the petition should not be granted.
- 4. The board at the time and place mentioned in the notice, or at the times to which the hearing of the petition may be adjourned, shall proceed to hear the petition and all objections thereto, presented in writing by any person showing cause why the prayer of the petition should not be granted.
- 5. The filing of such petition shall be deemed and taken as an assent by each and all such petitioners to the exclusion from the district of the property mentioned in the petition, or any part thereof.
- in the petition, or any part thereof.
 6. The board, if it deems it not for the best interest of the district that the property mentioned in the petition, or portion thereof, be excluded from the district, shall order that the petition be denied in whole or in part, as the case may be.
- 7. If the board deems it for the best interest of the district that the property mentioned in the petition, or some portion thereof be excluded from the district, the board shall order that the petition be granted in whole or in part, as the case may be.
- 8. There shall be no withdrawal from a petition after consideration by the board nor shall further objection be filed except in case of fraud or misrepresentation.
- 9. Upon allowance of such petition, the board shall file for record a certified copy of its resolution making such change, as provided in NRS 318.075 <u>[-] or section 2 of this act.</u>

Sec. 30. NRS 318.258 is hereby amended to read as follows:

- 318.258 The boundaries of a district may be enlarged by the inclusion of additional real property therein in the following manner:
- 1. The fee owner or owners of any real property capable of being served with facilities of the district may file with the board a petition in writing praying that such property be included in the district.

2. The petition shall:

- (a) Set forth an accurate legal description of the property owned by the petitioners.
- (b) State that assent to the inclusion of such property in the district is given by the signers thereto, constituting all the fee owners of such property.
 - (c) Be acknowledged in the same manner required for a conveyance of land.
- 3. There shall be no withdrawal from a petition after consideration by the board nor shall further objections be filed except in case of fraud or misrepresentation.
- 4. The board shall hear the petition at an open meeting after publishing the notice of the filing of such petition, and of the place, time and date of such meeting, and the names and addresses of the petitioners. The board shall grant or deny the petition and the action of the board is final and conclusive. If the petition is granted as to all or any of the real property therein described, the board shall make an order to that effect, and file it for record as provided in NRS 318.075 Hor section 2 of this act.
- 5. If the costs of extending the facilities of the district are paid by the property owners of the area to be included within the district, these property owners are entitled to receive any money charged and collected by the district when additional property owners utilize the facilities which were extended.
- 6. The board of trustees of the district shall pay to the property owners pro rata shares of the money charged and collected.
- 7. After the date of its inclusion in such district, such property is subject to all of the taxes and charges imposed by the district, and is liable for its proportionate share of existing general obligation bonded indebtedness of the district; but it is not liable for any taxes or charges levied or assessed prior to its inclusion in the district, nor shall its entry into the district be made subject to or contingent upon the payment or assumption of any penalty, toll or charge, other than any reasonable annexation charge which the board may fix and uniformly assess and the tolls and charges which are uniformly made, assessed or levied for the entire district. Such charges shall be computed in such a manner as not to place a new charge against the district members nor penalize the area annexed.
- 8. In any district within the region of any interstate compact relating to planning, when any petition for the inclusion of property into any district is denied, the petitioner may appeal the denial to the board of county commissioners of the county in which such district is located, which shall review such denial and may, in its discretion, order that such property be included in the district.
- 9. The board of county commissioners of any county in which a district is located may by ordinance require the district to include additional real property within its boundaries if:
 - (a) The inclusion is required by a federal law or regulation issued thereunder;
- (b) The district can provide the services required by the owners of the real property; and
 - (c) The owners of the real property pay the costs of providing the facilities.
 - Sec. 31. NRS 318.490 is hereby amended to read as follows:
 - 318.490 Except as otherwise provided in section 5 of this act:
- 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:

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- (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
- (b) The services of the district are no longer needed or can be more effectively performed by an existing unit of government.
- 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 his 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.
- 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 that was, on October 1, 2005, exercising powers pursuant to NRS 318.140, 318.142 and 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. 32. NRS 318.492 is hereby amended to read as follows:
 - 318.492 Except as otherwise provided in section 5 of this act:
- If all the territory within a district organized pursuant to this chapter is included within the boundaries of a city incorporated under the provisions of chapter 266 of NRS, the board of county commissioners of the county shall, within 90 days after the filing of the notice required by NRS 266.033, adopt an ordinance providing for the merger of the district with the city and fixing a time and place for a hearing on the merger.
- The county clerk shall certify a copy of the ordinance and give notice of its adoption in the manner provided by subsection 2 of NRS 318.490.
- The board of county commissioners shall thereafter proceed to hear and determine the matter as provided in NRS 318.495 and 318.500.
 - NRS 318.495 is hereby amended to read as follows:
 - Except as otherwise provided in section 5 of this act:
- Any person who owns property which is located within the district may, on or before the date fixed, protest against the dissolution, merger or consolidation of such district, in writing, which protest shall be filed with the county clerk of such county.
- 2. If, at or before the time fixed by the ordinance and notice, written protest is filed signed by a majority of the owners of property within the district, the district shall not be dissolved, merged or consolidated. If any written protests are filed and the board of county commissioners determines that the protests so filed represent less than a majority of the owners of property within the district, the board may, if it so determines, complete the dissolution, merger or consolidation by the adoption of a final ordinance of dissolution, which ordinance shall contain a recital of the protests, and such recital is binding and conclusive for all purposes.
 - Sec. 34. NRS 318.500 is hereby amended to read as follows:
- [At] Except as otherwise provided in section 5 of this act, at the place, date and hour specified for the hearing in the notice or at any subsequent time to which the hearing may be adjourned, the board of county commissioners shall give full consideration to all protests which may have been filed and shall hear all persons desiring to be heard and shall thereafter adopt either the final ordinance

 of dissolution, merger or consolidation or an ordinance determining that it shall not be dissolved, merged or consolidated.

Sec. 35. NRS 318.505 is hereby amended to read as follows:

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318.505 [Within] Except as otherwise provided in section 5 of this act, within 30 days after the effective date of any ordinance dissolving, merging or consolidating the district, the county clerk shall file a copy of the ordinance in his office and shall cause to be filed an additional copy of the ordinance in the Office of the Secretary of State, which filings shall be without fee and be otherwise in the same manner as articles of incorporation are required to be filed under chapter 78 of NRS.

Sec. 36. NRS 318.508 is hereby amended to read as follows:

318.508 [Hf] Except as otherwise provided in section 5 of this act, if a final ordinance of dissolution is adopted pursuant to NRS 318.492:

1. The merger of the district is effective on July 1 of the year next following the date the incorporation of the city becomes effective.

2. The city shall assume the obligations and functions of the district.

- 3. Any outstanding and unpaid tax sale or levy and any special assessment lien of the district is valid and remains a lien upon the property against which it is assessed or levied until paid, subject to the limitations of liens provided by general law. Any tax or special assessment paid after the effective date of the merger must be placed in the general fund of the city.
- 4. The city council of the city has the same power to enforce the collection of any special assessment or outstanding tax sales of the district as the district would have had if it had not been merged.

Sec. 37. NRS 318.510 is hereby amended to read as follows:

318.510 Except as otherwise provided in section 5 of this act:

1. All property and all funds remaining in the treasury of any district must be:

 (a) Surrendered and transferred to the county in which the district exists and become a part of the general fund of the county, if the district is dissolved;

(b) Transferred to the governmental unit which assumes its obligations and functions, if the district is merged; or

(c) Transferred to the consolidated governmental unit, if the district is consolidated.

2. All outstanding and unpaid tax sales and levies and all special assessment liens of a dissolved district are valid and remain a lien against the property against which they are assessed or levied until paid, subject to the limitations of liens provided by general law. Taxes and special assessments paid after dissolution must be placed in the general fund of the county in which the property was assessed.

3. Except as otherwise provided in NRS 318.508, the board of county commissioners has the same power to enforce the collection of all special assessments and outstanding tax sales of the district as the district had if it had not been dissolved, merged or consolidated.

4. If any area comprising the district or portion thereof is annexed to a city or town within 6 months from the effective date of the dissolution ordinance, a pro rata share of all such property and funds must be transferred to the municipality.

5. If any area comprising the district or portion thereof is not annexed to a city or town within 6 months from the effective date of the dissolution ordinance, the board of county commissioners shall pay to the owners of property located within the former district pro rata shares of the money remaining in the treasury of the district, and an amount of money equal to the value of any property which is not used for the benefit of the area formerly comprising the district. The board of county commissioners may, before paying such money, apply a proportionate amount of such payment to any special assessments which are due.

Sec. 38. NRS 318.515 is hereby amended to read as follows:

- 318.515 1. [Upon] Except as otherwise provided in subsection 5, upon notification by the Department of Taxation or upon receipt of a petition signed by 20 percent of the qualified electors of the district, that:
- (a) A district of which the board of county commissioners is not the board of trustees is not being properly managed:
- (b) The board of trustees of the district is not complying with the provisions of this chapter or with any other law; or
 - (c) The service plan established for the district is not being complied with,
- → the board of county commissioners of the county in which the district is located shall hold a hearing to consider the notification or petition.
- 2. The county clerk shall mail written notice to all persons who own property within the district and to all qualified electors of the district, which notice shall set forth the substance of the notification or petition and the time and place of the hearing.
- 3. At the place, date and hour specified for the hearing, or at any subsequent time to which the hearing may be adjourned, the board of county commissioners shall give full consideration to all persons desiring to be heard and shall thereafter:
- (a) Adopt an ordinance constituting the board of county commissioners, ex officio, as the board of trustees of the district;
- (b) Adopt an ordinance providing for the merger, consolidation or dissolution of the district pursuant to NRS 318.490 to 318.510, inclusive [1], or section 5 of this act;
- (c) File a petition in the district court for the county in which the district is located for the appointment of a receiver for the district; or
- (d) Determine by resolution that management and organization of the district will remain unchanged.
- 4. The Department of Taxation or any interested person may, within 30 days immediately following the effective date of the ordinance adopted under paragraph (a) or resolution adopted under paragraph (d) of subsection 3, commence an action in any court of competent jurisdiction to set aside the ordinance or resolution. After the expiration of 30 days, all actions attacking the regularity, validity and correctness of that ordinance or resolution are barred.
- 5. The governing body of a city shall carry out the provisions of this section with respect to a district created pursuant to section 2 of this act within the sphere of influence of the city.
 - Sec. 39. NRS 244.188 is hereby amended to read as follows:
- 244.188 1. Except as otherwise provided in subsection 3 and NRS 269.128 and 269.129, a board of county commissioners may, outside the boundaries of incorporated cities and general improvement districts:
- (a) Provide those services set forth in NRS 244.187 on an exclusive basis or, by ordinance, adopt a regulatory scheme for controlling the provision of those services or controlling development in those areas on an exclusive basis; or
 - (b) Grant an exclusive franchise to any person to provide those services.
- 2. If services for the collection and disposal of garbage are provided pursuant to subsection 1, the board of county commissioners may, except as otherwise provided in subsection 3, require owners of real property outside the boundaries of incorporated cities and general improvement districts to receive and pay for those services.
- 3. The board of county commissioners may exercise the authority provided in subsections 1 and 2 within the boundaries of a general improvement district if that district:
 - (a) Is not authorized to provide those services; and

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(b) [Includes] Except as otherwise provided in section 2 of this act, includes any real property within 7 miles from the boundary of an incorporated city.

If an exclusive franchise is granted or a regulatory scheme is adopted for the mandatory collection and disposal of garbage and other waste, the initial boundaries of the collection area must be the same as the boundaries of an existing collection area under an exclusive franchise or regulatory scheme.

The board of county commissioners may expand the boundaries of a collection area established pursuant to subsection 4 after the board has:

(a) Conducted preliminary studies and determined that the proposed collection area is economically sound and feasible and promotes the health, safety and general welfare of the inhabitants of the county; and

(b) Held a public hearing on the proposed collection area after giving notice of the time and the place of the hearing in a newspaper of general circulation in that county. The notice must include the purpose of the hearing and describe the boundaries of the proposed collection area.

NRS 266.043 is hereby amended to read as follows: Sec. 40.

1. During the period from the filing of the notice of the results of 266.043 the election by the county clerk pursuant to NRS 266.033 until the date the incorporation of the city becomes effective, the county is entitled to receive the taxes and other revenue from the incorporated city and shall continue to provide services to the city.

2. Except as otherwise provided in NRS 318.492 ☐ or section 5 of this act, all special districts, except fire protection districts, located within the boundaries of an incorporated city continue to exist within that city after the incorporation becomes effective.