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SENATE BILL NO. 487—COMMITTEE ON NATURAL RESOURCES

MARCH 24, 2003

Referred to Committee on Government Affairs

SUMMARY—Authorizes certain smaller counties to enter into certain agreements relating to acquisition, development and distribution of water resources. (BDR 20-1312)

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.

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AN ACT relating to counties; authorizing the board of county commissioners of certain smaller counties to enter into certain agreements relating to the acquisition, development and distribution of water resources; authorizing the reimbursement of certain money and the sharing of certain proceeds in regard to such agreements; and providing other matters properly relating thereto.

1 WHEREAS, Water resources are a critical component of the  
2 continuing economic development of counties within the State of  
3 Nevada; and

4 WHEREAS, The acquisition of water resources and the planning  
5 for, development of and distribution of those resources require large  
6 investments of capital and involve projects which may span many  
7 years from planning to completion; and

8 WHEREAS, To the extent that counties whose populations are  
9 less than 400,000 lack the necessary money to carry out the  
10 acquisition of water resources and the development of those  
11 resources, the economic development of those counties is impaired;  
12 and

13 WHEREAS, It is the sense of the Nevada Legislature that  
14 alternative methods for financing the acquisition of water resources  
15 and the planning for, development of and distribution of those  
16 resources must be made available to counties whose populations are



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1 less than 400,000 to promote the economic development of those  
2 counties and the health, safety and welfare of the residents of those  
3 counties; now, therefore,

4  
5 THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN  
6 SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:  
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8 **Section 1.** Chapter 244 of NRS is hereby amended by adding  
9 thereto a new section to read as follows:

10 *1. The board of county commissioners of a county whose*  
11 *population is less than 400,000 may enter into an agreement with*  
12 *a private corporation or other entity to:*

13 *(a) Pay for the acquisition of water resources; and*

14 *(b) Pay for and coordinate the planning, development and*  
15 *distribution of water resources.*

16 *2. An agreement entered into pursuant to subsection 1 may*  
17 *provide for:*

18 *(a) The county to reimburse, from revenues, the private*  
19 *corporation or other entity that is signatory to the agreement for*  
20 *any investments of capital and any operating expenses incurred by*  
21 *the private corporation or other entity in carrying out its*  
22 *obligations pursuant to the agreement; and*

23 *(b) The sharing of net proceeds between:*

24 *(1) The county; and*

25 *(2) The private corporation or other entity that is signatory*  
26 *to the agreement.*

27 *3. Any amounts of money reimbursed to a private corporation*  
28 *or other entity pursuant to paragraph (a) of subsection 2 are not*  
29 *appropriations for the purpose of the limitation set forth in*  
30 *subsection 1 of NRS 244.320.*

31 *4. As used in this section:*

32 *(a) "Net proceeds" means revenues, less:*

33 *(1) Expenses;*

34 *(2) Operating costs; and*

35 *(3) Any amounts of money reimbursed to a private*  
36 *corporation or other entity pursuant to paragraph (a) of*  
37 *subsection 2.*

38 *(b) "Revenues" means any money that is generated:*

39 *(1) Pursuant to an agreement authorized pursuant to*  
40 *subsection 1;*

41 *(2) By a facility or project that is constructed pursuant to*  
42 *such an agreement; and*

43 *(3) Through the provision of a service made possible by*  
44 *such an agreement.*



1       **Sec. 2.** NRS 244.320 is hereby amended to read as follows:  
2       244.320 1. A board of county commissioners may enter into  
3 any contract, lease, franchise, exchange of property or other  
4 transaction which extends beyond the terms of the county  
5 commissioners then in office and voting on the matter ~~§~~ but ,  
6 except as otherwise provided *in section 1 of this act or as otherwise*  
7 *provided* by law, the contract, lease, franchise, exchange or other  
8 transaction is binding beyond those terms of office only to the extent  
9 that money is appropriated therefor, or for a like item or service.  
10      2. This section does not affect any contract, lease, franchise,  
11 exchange of property or other transaction which does not extend  
12 beyond the term of office of any member of the board who is part of  
13 the quorum voting thereon.

