

**MINUTES OF THE MEETING  
OF THE  
ASSEMBLY COMMITTEE ON TRANSPORTATION**

**Seventy-Eighth Session  
February 10, 2015**

The Committee on Transportation was called to order by Chair Jim Wheeler at 3:17 p.m. on Tuesday, February 10, 2015, in Room 3143 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at [www.leg.state.nv.us/App/NELIS/REL/78th2015](http://www.leg.state.nv.us/App/NELIS/REL/78th2015). In addition, copies of the audio or video of the meeting may be purchased, for personal use only, through the Legislative Counsel Bureau's Publications Office (email: [publications@lcb.state.nv.us](mailto:publications@lcb.state.nv.us); telephone: 775-684-6835).

**COMMITTEE MEMBERS PRESENT:**

Assemblyman Jim Wheeler, Chair  
Assemblywoman Jill Dickman, Vice Chair  
Assemblyman Nelson Araujo  
Assemblyman Richard Carrillo  
Assemblywoman Victoria A. Dooling  
Assemblywoman Michele Fiore  
Assemblyman Edgar Flores  
Assemblyman Brent A. Jones  
Assemblyman P.K. O'Neill  
Assemblyman Stephen H. Silberkraus  
Assemblywoman Ellen B. Spiegel  
Assemblyman Michael C. Sprinkle  
Assemblywoman Melissa Woodbury

**COMMITTEE MEMBERS ABSENT:**

Assemblywoman Marilyn Kirkpatrick (excused)

**GUEST LEGISLATORS PRESENT:**

Assemblyman James Oscarson, Assembly District No. 36

Minutes ID: 172



**STAFF MEMBERS PRESENT:**

Michelle L. Van Geel, Committee Policy Analyst  
Melissa N. Mundy, Committee Counsel  
Henri Stone, Committee Secretary  
Trinity Thom, Committee Assistant

**OTHERS PRESENT:**

Katherine Miller, U.S. Army Col. (Ret.), Director, Department of Veterans Services  
Sean McDonald, Administrator, Division of Central Services and Records, Department of Motor Vehicles  
Doreen Rigsby, Department of Motor Vehicles  
Caleb Harris, representing the Disabled American Veterans  
Larry Brown, Chairman, Board of Commissioners, Regional Transportation Commission of Southern Nevada  
Tina Quigley, General Manager, Regional Transportation Commission of Southern Nevada  
Lee G. Gibson, Executive Director, Regional Transportation Commission of Washoe County  
Ron Smith, Vice Chair, Regional Transportation Commission of Washoe County  
Rudy Malfabon, P.E., Director, Department of Transportation  
Sean Sever, Communications Director, Carson City, Communications Division, Department of Transportation

**Chair Wheeler:**

[Roll was taken and Committee rules and protocol were reviewed.] We will have two bill draft request introductions.

**BDR 40-15**—Revises provisions governing motor vehicle licensing. (Later introduced as [Assembly Bill 146](#).)

Do I have a motion?

ASSEMBLYMAN O'NEILL MOVED FOR COMMITTEE INTRODUCTION OF BDR 40-15.

ASSEMBLYMAN SILBERKRAUS SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYWOMAN KIRKPATRICK WAS ABSENT FOR THE VOTE.)

**BDR 43-54**—Revises provisions governing registration of vehicles. (Later introduced as [Assembly Bill 145](#).)

ASSEMBLYMAN SILBERKRAUS MOVED FOR COMMITTEE INTRODUCTION OF BDR 43-54.

CHAIR WHEELER SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYWOMAN KIRKPATRICK WAS ABSENT FOR THE VOTE.)

**Chair Wheeler:**

We will discuss [Assembly Bill 103](#) first.

**[Assembly Bill 103](#):** Provides for the issuance of special license plates for veterans who are awarded the Silver Star or Bronze Star Medal. (BDR 43-22)

**Assemblyman James Oscarson, Assembly District No. 36:**

I have been working on this bill at the request of a constituent for about 18 months. Assembly Bill 103 creates two special license plates to specifically honor veterans who put their lives on the line to defend America's freedom and way of life, and, having done so, were awarded the Silver Star or Bronze Star Medal.

To earn a Silver star, a soldier, who served in any capacity with the U.S. Army, must have been recognized for gallantry in action against an enemy of the United States while engaged in military operations involving conflict with an opposing foreign force, or while serving with friendly foreign forces engaged in armed conflict against an opposing armed force in which the United States is not a belligerent party.

The Bronze Star Medal is awarded to any person who, while serving in any capacity in or with the military of the United States after Dec. 6, 1941, distinguished himself or herself by heroic or meritorious achievement or service, not involving participation in aerial flight, while engaged in military operations involving conflict with an opposing foreign force; or while serving with friendly foreign forces engaged in an armed conflict against an opposing armed force in which the United States is not a belligerent party. These members of our community deserve special recognition for their service ([Exhibit C](#)).

I do wish to note that we have some letters in support and one letter in opposition that hopefully will change to neutral after a meeting I just had with

three gentlemen. I recognize that there are other awards that the military has that are important. I do not want to dismiss any of those as important awards. Mr. Chairman, I would like to read a letter from the gentleman who requested this. [Read [Exhibit D.](#)]

**Assemblyman Sprinkle:**

Last session we heard bills in regard to license plates. This is the first one of this session. We typically have a cap with regard to specialty license plates. Is it correct that these plates are exempt?

**Assemblyman Oscarson:**

I am not aware of the cap but perhaps that is why this is one of the first.

**Assemblyman Sprinkle:**

As a specialty plate, there are extra fees associated with this. Where would those monies go?

**Assemblyman Oscarson:**

It is my understanding they go to the same veteran's association the other plates go to. That is Disabled American Veterans (DAV) or Veterans of Foreign Wars (VFW.) I asked that question specifically to my constituent. He requested that the collected fees go to those organizations that currently receive the fees from the Purple Heart and some of the other military plates.

**Chair Wheeler:**

I noticed in the bill that there was no caveat for service-connected disabilities. Would you accept a conceptual amendment to the bill that would allow us to put the universal symbol for disabled on the plate for 100 percent service-connected disabilities and for someone who receives compensation from the United States for that disability?

**Assemblyman Oscarson:**

I would be happy to entertain that.

**Assemblywoman Spiegel:**

My question is related to the amendment that you just put forth. If somebody were disabled with a non-service-related disability and needed to have a handicapped plate, under your amendment they would not be able to do that unless their disability was caused by their service-related activities?

**Chair Wheeler:**

The way I understand it is that several veteran plates right now take a 100 percent service disability to do that, which is why I was requesting that if someone were not disabled by service connection, they would receive a placard that they could hang from their mirror.

Are there any other questions? Hearing none, I will take testimony in favor of A.B. 103. Is there anyone in Las Vegas in favor of A.B. 103? Seeing no one, we will take testimony in Carson City opposed to A.B. 103. [There was no one.] In Las Vegas anyone who is opposed to A.B. 103? [There was no one.] Do we have any testimony in Carson City that is neutral on A.B. 103?

**Katherine Miller, U.S. Army Col. (Ret.), Director, Department of Veterans Services:**

I just wanted to add a bit of information. In this particular case, if approved, the proceeds would go to the Gift Account for Veterans. That gift fund is administered by my office, and it is used only in support of veteran's services and programs for veterans. It does not go to a specific veterans organization. It is used to benefit all veterans in Nevada.

**Chair Wheeler:**

Is there any other neutral testimony in Carson City?

**Sean McDonald, Administrator, Division of Central Services, Department of Motor Vehicles:**

There is no fiscal note tied to these two plates—the Bronze Star and the Silver Star. We have a little bit of internal programming that we do. There is one clarifying piece regarding where the bill talks about additional fees. There were no additional fees for these particular plates. It would just be tied to standard registration and licensing. To answer Assemblyman Sprinkle's question as well, these plates would be outside the 30 cap, which deals with charitable organizations. Those who would be awarded this plate would receive it because of a qualifying event. They are a Bronze Star or a Silver Star recipient. As a result, this would be outside the 30 cap. It is similar to a volunteer or a professional firefighter plate. Those who get those plates do so because of a qualifying situation as well, versus receiving a plate through a sponsoring agency.

**Doreen Rigsby, Department of Motor Vehicles:**

I handle the special plate division within the department and am here for support or any questions.

**Caleb Harris, representing the Disabled American Veterans:**

The one thing that I wanted to add is that with regard to the amendment you recommended, there should be another bill coming up, Senate Bill 121, that would actually allow the merger of both a status and a prestige plate. If you qualify for the disabled veteran plate and another plate and you are willing to pay for both, you should be able to merge the two and hopefully that would eliminate the amendment.

**Chair Wheeler:**

Thank you. I would like to eliminate the amendment. Do we have a bill number on that yet?

**Caleb Harris:**

It is S.B. 121.

**Chair Wheeler:**

Any more testimony in the neutral position in Carson City or Las Vegas? Seeing none, we will move on. Since we will have no amendment to this particular bill, I would like to move it today if it is all right with the Committee. Is there a motion to waive rule 57 on this bill and this bill only?

ASSEMBLYWOMAN FIORE MOVED TO WAIVE RULE 57.

ASSEMBLYMAN SILBERKRAUS SECONDED THE MOTION.

**Assemblyman Sprinkle:**

I believe there is some public comment. I do still have a couple of questions. I am not necessarily opposed to this bill, but at this point I would be voting no.

**Chair Wheeler:**

Since it will not be unanimous, we will move on. Do you have a comment as well, Madam Vice Chair?

**Assemblywoman Dickman:**

If S.B. 121 does not pass do we need the amendment for the disabled?

**Chair Wheeler:**

We would need the amendment or we could do that under a separate bill. We will schedule this for a work session on Thursday. Let us move on to our presentations. Our first presentation is going to be an overview of the Regional Transportation Commission of Southern Nevada.

**Larry Brown, Chairman, Board of Commissioners, Regional Transportation, Commission of Southern Nevada:**

Tina Quigley is here with me to present, after which we will respond to questions.

**Tina Quigley, General Manager, Regional Transportation Commission of Southern Nevada:**

In southern Nevada, the Regional Transportation Commission (RTC) of Southern Nevada oversees everything but monorail and taxis ([Exhibit E](#)). Monorail is the private sector. Taxis are overseen by the Taxi Cab Authority. Limousines are overseen by the Nevada Transportation Authority (NTA). We are the transit authority; we operate anything having to do with technology and traffic management. In addition, we are the transportation organization that comes up with the prioritization and the road funding. We are a board of all-elected officials. By statute, we are required to have two members from the Clark County Board of Commissioners: Larry Brown and Chris Giunchigliani. We are required to have two from the city council of the largest city, Las Vegas: Steve Ross and Lois Tarkanian. We are required as well to have two from the city councils of each of the other jurisdictions: Debra March from the City of Henderson; Roger Tobler from Boulder City; John Lee from the City of North Las Vegas; and Allan Litman from the City of Mesquite.

Next is a quick overview with a pie chart of our budget ([Exhibit E](#)). Most of this year's budget comes from bond proceeds. We were able to sell bonds backed by the concept of tying motor vehicle fuel tax to inflation. We will discuss that later. Our secondary source of revenue is sales tax. We have a \$0.25 sales tax that comes to the RTC for transit and roadway funding. Seventeen percent of our revenue comes from motor vehicle fuel. Passenger fares constitute 10 percent and federal grants 13 percent of our revenue. These are the numbers for 2015. However, it changes all the time. Capital outlay at 65 percent is our biggest expense. That is for roadway infrastructure improvement and for purchasing buses. Services and supplies is our second largest expense, and that is for the actual operation of our transit system. We contract out the operations of our system. Debt service is 10 percent and salaries and benefits are 3 percent.

As the transit authority, we are the agency that operates not only the fixed-route system—the systems along the resort corridor and the residential areas—but also the paratransit system. We are the most efficient system in the United States. There are a few reasons for that. We have Board policies that do not allow us to sprawl our system. We do not immediately provide transit service to new neighborhoods. We contract out our services by partnering with the private sector. That way we can operate much more efficiently.

We operate efficiently in the resort corridor with a high number of riders in a very dense area. We also operate the Paratransit Service, which is a very costly service, and much more difficult to operate efficiently. On average, it costs about \$1.17 to move a passenger in the fixed-route system. Paratransit costs us about \$34 to \$36 per trip. We are very fortunate to be able to collaborate with nonprofit agencies to reduce our overhead. Their interest is also in moving these people who are either cognitively or physically disabled.

We offer our services to areas with a high concentration of senior citizen residential developments as well. We do not offer a door-to-door system as in paratransit. Instead, we have a loop system that allows people to live independently but also provides some dependable service to get to the grocery store or doctor appointments.

We have begun a grant-funded veterans transportation service focused on moving veterans from their homes to medical appointments. Our demand for that has increased and was very well-received. We are partnering with nonprofits to run that system.

We are the agency in charge of everything related to technology and moving people, the traffic management system. Ramp meters, traffic signals, and dynamic message signs fall under the RTC purview.

We are the transportation planning and funding agency. The sales tax, the motor vehicle fuel revenue, federal funds, and state funds come to the RTC. We work with all of the different public works directors—Clark County, City of Las Vegas, City of North Las Vegas—to prioritize and fund the projects in southern Nevada. We do the funding, but we are not responsible for making certain that budgets and deadlines are met. As the funding agent in southern Nevada, we will be assuming the role of caretaker for the Southern Nevada Strong effort. About three years ago, we received a HUD grant for about \$3.5 million to develop a regional plan for southern Nevada. We have never had a federally sponsored or federally recognized regional plan for transit and land use development. It has been managed by an agency, the Southern Nevada Planning Coalition, which will be passing the baton tomorrow to the RTC for implementation.

The Transportation Investment Business Plan is another major project for us. Rossi Ralenkotter, president and CEO of the Las Vegas Convention and Visitors Authority, started this. He recognized that in order for us to be competitive globally as a destination for conventions and international visitors, we would have to start paying attention to not only the resort experience of Las Vegas, but also to the visitor experience traveling between airport, hotel,



convention center, and central business areas. Recognizing that other destination resorts are starting to market themselves based on ease of connections between these places, he pulled together a committee of about 20 people, including representatives from the RTC, taxi cabs, monorail, the airport, the Chamber of Commerce, the City of Las Vegas, Clark County, convention organizers, and shuttle and bus operators. He said that the issue was about southern Nevada maintaining and growing the convention industry. For about a year, we have been working on that Transportation Investment Business Plan, which will be a blueprint for identifying the infrastructure and mass transit investments we are going to have to make to move people from the airport to the resort corridor, downtown, and the convention center. It definitely has a financial component, as we are not going to be able to ask the federal government for \$4 billion. Inevitably, we will have to partner with the private sector—the airport, convention authority, and the resorts—as well as apply for federally sponsored programs to come up with a funding plan. In six months, we should have the results of this blueprint and present the final product to you.

Fuel revenue indexing was born out of the enabling legislation from the 2013 Legislative Session. Assembly Bill No. 413 of the 77th Session enabled Clark County to tie motor vehicle fuel taxes to inflation for a period of three years. You granted us the opportunity to see what we could do with that revenue and what kind of projects we would develop. Before A.B. No. 413 of the 77th Session was passed, we were only going to have about \$22.4 million moving forward to invest in new projects. To put this in perspective, it meant that we could only construct one interchange a year or one mile of roadway in each one of the jurisdictions (a mile in Las Vegas, a mile in North Las Vegas) or one beltway segment. That would be without bridges or rights of way as well. We would have been very constrained in terms of new infrastructure investment. Assembly Bill No. 413 of the 77th Session passed with bipartisan support. The Clark County commissioners in Las Vegas did add a 10 cent per gallon cap to the amount that we would be able to increase through indexing. With that money, we were able to bond for about \$700-\$800 million. We were able to build 199 transportation projects creating approximately 9000 jobs.

I encourage you to look at the maps in front of you. There are design projects as well as construction projects sprinkled all over southern Nevada that would have been impossible to build without the passage of A.B. No. 413 of the 77th Session. Although my legal counsel would prefer that I use the term 99.9 percent, as the Legislature and the Board of County Commissioners requested, 100 percent of the work has gone to local contractors. We do know that all primary and secondary contractors are local. We do not have as much

control over the subcontractors. It may be possible that some out-of-state firm could have acquired work, but at this point, we do believe that almost 100 percent of the work has remained with local firms. All of you also wanted us to use the money quickly. You wanted to see jobs and work happening. We have awarded 83 contracts to date. Of those contracts, several include multiple projects. Of the 199 projects, 65 percent have been awarded within this 12-month period. You wanted local small businesses to have opportunities. We are happy to report that 53 local small businesses have been awarded work through this effort. We have awarded \$164 million creating 2100 jobs. Of the small businesses, 40 percent of them are specifically woman-and minority-owned enterprises. We are tracking those closely to make sure that there were equal opportunities for all groups.

There are a few bill draft requests (BDRs) that we will be interested in as the session progresses. One is a follow up to A.B. No. 413 of the 77th Session. When this bill passed, it required two ballot questions: a Clark County question and a statewide question. The first county ballot question will ask if voters wish to continue indexing fuel taxes to inflation. By that, we are talking about the federal portion and the local portion. The second question will be put on the ballot in every county asking whether to allow indexing on the state portion of the fuel tax in all counties. To avoid confusion with the two ballot questions, there is BDR 32-667, which is to allow one ballot question to be placed on the ballot of each county. If approved by an individual county, the portion of the indexing collection on state fuel taxes would be transferred to the Department of Transportation (NDOT) and allocated only to those projects located in the county where the indexing revenues were collected. We would have one ballot question to ask the voters if they wanted to tie motor vehicle fuel tax to inflation, and behind the scenes, administratively we would work with NDOT to apportion the money between NDOT and the local governments.

We will also be following BDR 43-669, protection of the State Highway Fund. We understand there is an opportunity to strengthen some language that pertains to revenues associated with the Highway Fund to make sure that those funds do stay within the Highway Fund and are appropriated for highway investments.

**Chair Wheeler:**

Are there any questions? For my own edification, do all the services you offer for veterans, disabled, et cetera, have separate budgets? Are these line items in your budget?

**Tina Quigley:**

Yes, we do have separate budgets and will share them with you.

**Assemblyman Carrillo:**

My question is regarding paratransit. Some constituents in my district are having issues with no show. If they do not show up to be picked up, they get demerits.

**Tina Quigley:**

If you are considered a no show a certain number of times, you are suspended for life.

**Assemblyman Carrillo:**

How do you prove that they actually did make a stop?

**Tina Quigley:**

There is an appeal process that we can go through with you to share with your constituents. They can call us. Because all of our vehicles do have GPS, we can reconcile that.

**Chair Wheeler:**

Are there further questions? [There were none.] We will move on to an overview of the Regional Transportation Commission (RTC) of Washoe County.

**Lee G. Gibson, Executive Director, Regional Transportation Commission of Washoe County:**

To my right is Ron Smith, the RTC vice chairman of Washoe County and a city councilman with the City of Sparks. To my left is Michael Moreno, our public affairs administrator, who will be assisting with the presentation today.

**Ron Smith, Vice Chair, Regional Transportation Commission of Washoe County:**

The RTC of Washoe County is very unique for the responsibilities we have to deliver—street and highway projects, operating public transportation, and lead transportation planning for the region. We have established safety as the highest priority for all of the projects, services, and programs we deliver to our citizens, which you will hear about in our presentation. We are very proud of the projects we have delivered and those we are currently working on. Many of these have been made possible through the innovative fuel tax indexing this RTC pioneered in 2008 and implemented in 2010 with the assistance of the Legislature. Lee Gibson brings a unique statewide perspective, serving at both north and south RTCs. Under his tenure, he has led us through the recession, guiding the delivery of major transportation projects; establishing stronger partnerships with local, state, and federal agencies; and, through the shared federal framework, encouraging a broader, more comprehensive outreach program to enhance community participation. Lee and his staff have earned the public trust. It is a pleasure to serve the citizens of Washoe County.

**Lee Gibson:**

I would like to highlight the differences between the two RTCs. First, I want to lay out what our broad overarching principles are for decision making and policy. Safety is number one and the key to everything we do in terms of planning, engineering and design, construction, and operation of transportation systems and facilities. We also seek to be sustainable from a financial, economic, social, and environmental perspective. I will point out where I believe we have been particularly successful in the use of taxpayer dollars. Finally, we like to increase travel choices because we believe that as our economy changes, as millennials step into their role playing a major part of the labor force, what we provide in terms of our projects, programs, and services is going to change. We need to begin tailoring those changes now so that the infrastructure we provide in the 10- and 20-year time frame will meet the long-term economic and social needs of that group.

Prioritizing safety is a key point. Community education and awareness are critical. Education and partnering with emergency responders is critical for us to plan, deliver, and operate safe transportation services. As was noted yesterday in the Department of Transportation Board of Directors meeting, pedestrian safety is a high priority and a critical issue that we are dealing with. We are very happy with the partnership that we have with the Department of Transportation (NDOT) and specifically addressing this statewide issue of pedestrian safety. What you will see in our presentation are specific design and delivery techniques we are focusing on to enhance that.

With respect to our road program, the central piece of that safety approach is Complete Streets. We focus on designing roads that are safe for all users. We seek to find the best way to design that part of the roadway, sidewalk, bike lane to make sure that we can minimize conflicts, and that traffic flows and pedestrian, bicycle, and transit access points all work in harmony so that folks remain safe. Last year we provided over 16 miles of new bike lanes, 7.3 miles of new sidewalks, 1 mile of a multiuse path, 286 pedestrian ramps compliant with the Americans with Disabilities Act (ADA) in our core urban area, and 12 ADA-compliant bus stops so that we could continue to provide the accessible transportation system and services that are so important.

We too operate a paratransit system much like the RTC of Southern Nevada does. It also is expensive. When we can build a "complete street," give a disabled citizen the opportunity to use our fixed-route services, that often makes accessibility and mobility much easier for that individual. These types of road projects can help us move folks from paratransit to the fixed-route system; save us money; provide safety for everyone; and for that particular individual provide more economic social and educational opportunities.

With respect to Complete Streets, we have partnered with the University of Nevada Reno, Civil Engineering Department. Their traffic engineers have been doing before-and-after studies. This slide (slide 5, [Exhibit F](#)) highlights some of the percentage reductions we have seen in annualized crash rates for three of our projects in the Reno-Sparks area. Those numbers are significant and astounding. While we have seen significant reduction in crash rates, the crashes we do have are less severe, which is reflected in significantly lower insurance costs. This is certainly an advantage in the Reno-Sparks metropolitan area as we restructure our economy.

I would like to talk about some of the projects in our pipeline and particularly our role in focusing on the Complete Streets design concept as it relates to economic development. The first project is the Fourth Street/Prater Way RAPID Transit corridor. This is a corridor where we will bring all of the tools of the RTC to one project. We will reconstruct the street and sidewalks, developing and deploying a new bus RAPID transit route. This route will deploy our new electric vehicles, helping to control operating costs so the net increase is minimal for our overall transit system expansion in service. By connecting Sparks and downtown Reno we are going to enable folks to access the educational resources of the University of Nevada, Reno (UNR) and the Truckee Meadows Community College, to develop the new skills that are going to be critical to the hi-tech economy that is developing in the north and be able to bring folks to quality, well-paying jobs for the long term.

The next project is the University of Nevada, Reno (UNR) Gateway and RAPID Extension project. We are going to connect midtown, downtown, and UNR. We are beginning to see a lot of millennials locating their businesses and homes there. Technology Row is near this area. We want to help facilitate those connections. Millennials like transit, they like our RAPID line because they can do something else while riding the bus. They can use their electronic devices, communicate with their business or educational partners, and use that time productively. This project is going to expand those opportunities through the extension of the RAPID line to UNR. The reconstruction of several streets and the Gateway Project will help open up the UNR campus and the northern part of downtown Reno, connecting it more efficiently for all modes of transportation.

Like the RTC of Southern Nevada, we are the transit operator in Washoe County. We carry over 25,000 people a day, providing access to jobs. The number one trip purpose is employment, people going to work. Education is the second reason people use RTC. About 11 percent of our riders are seniors. This is a critical piece of the senior mobility program. Our transit system has yet to recover from the effects of the recession. We are dependent

on sales taxes and farebox revenues. The recession brought about a significant reduction in our services. We had to scale back services in part because we all saw retail purchases declining. At the same time, fuel prices were going up. That caused our operating costs to get out of balance with our revenues and we did reduce service. However, today we are moving forward with a blue ribbon committee that is looking at funding alternatives. We will be sharing those with the Legislature if the committee results are in before the end of session.

Our paratransit service is complementary to our fixed-route service. We run and operate a service at about \$25 per ride. We carry about 700 people a day on that system. It is a door-to-door service. One of the unique partnerships we have formed is with City Care. During the recession we had to reduce our ADA paratransit zone. We ended up not being able to serve some folks who were outside the zone. City Care came forward as a private nonprofit. They have been able to leverage private foundation grants and purchase trips for those folks who were previously in the ADA zone who are now outside of that zone. That has been a lifesaver for many people. We will expand upon that in a moment.

With respect to seniors and the disabled, we have had a working group for over a year developing a coordinated transportation plan. Within Washoe County, seniors are the fastest growing part of our population. We have significant need for transit services in our northern valleys where we see a lot of isolated folks. What are we going to do about this? Our coordinated transportation plan is coming out with a number of new initiatives that will be funded with both local funds and federal transit funds. One of those initiatives is to develop a one-stop call center. The one-stop call center will be a broker whereby all providers will be melded so that trips can be assigned and distributed. People will be able to access jobs, health care, and recreation.

We have the Sierra Nevada Transit Coalition. We expect this transit coalition to step forward and partner with others in the community and continue to leverage this type of methodology to deliver our program.

We are very excited about our electric bus program. During the recession, we were able to receive a discretionary federal grant to buy and demonstrate electric bus technology. A hybrid diesel bus will get about 4-5 miles per gallon. This bus in the picture (Slide 11, [Exhibit F](#)) gets 19 miles per gallon equivalent and that is a significant cost savings for us. When we were looking at paying \$3.50 per gallon for diesel, this bus could save us about \$200,000 per year. We have four of these buses. If we had eight of them, that would basically be the cost of a route. These are the types of technology we need that will save transit authorities money and allow us to continue to maintain and, in certain

markets, to grow service. Look for these buses when you are downtown. They are uniquely branded. We would be happy to offer a tour for anyone who would like to see the technology and the vehicles.

I will close by coming back to my vice chair's comments regarding fuel tax indexing. We have had this since 2009. Based on an advisory ballot during the 2009 legislative session that bill was brought forward. We have been indexing the state, local, and federal fuel taxes for a number of years, working in a partnership with NDOT. I cannot say enough about NDOT and their ability to help us. Using these types of revenues we have widened Highway 395/Interstate 580 and Moana Lane. We built the first phase of the Southeast Connector, and we are on the edge of getting phase two of the Southeast Connector completed. We are very pleased that the Department of Transportation both as a matter of safety, but also what we believe will be cost savings, will start looking at Complete Street design concepts. The Southeast Connector, for those of you from northern Nevada, is a complete street. We have facilities designed into that road where there will be a multiuse path, access to the new wetlands we are developing, and it has pedestrian safety designed into it. It is a complete street. Moana Lane is a complete street even though it was a widening. This is going to be a significant advantage for us. We have been very fortunate in that the Governor and NDOT have all played a key role in expediting. Expediting projects creates new jobs in the short term for construction but also creates those economic advantages that we need to diversify our economy. I will be happy to answer any questions.

**Assemblyman Sprinkle:**

I applaud you for the complete streets, and I am glad you are moving in that direction. I have a concern regarding the electric buses, and I was there when you introduced that new product. They are absolutely silent so that anyone who is blind or distracted will not hear them coming. Do you feel that this is something that needs to be addressed?

**Lee Gibson:**

Our electric buses are extremely silent. We are looking at some other sound devices so that particularly the vision-impaired will hear them coming.

**Chair Wheeler:**

Are there any questions for Mr. Smith or Mr. Gibson? Seeing none, we will move on to our next presentation from the Department of Transportation.

**Rudy Malfabon, P.E., Director, Department of Transportation:**

The Department of Transportation (NDOT) has the responsibility for about 5,400 miles of highway and 1,154 bridges in Nevada ([Exhibit G.](#)) That number

of highway miles is about 20 percent of the system, but it carries over 50 percent of the miles traveled on the Highway System in Nevada. We are a State Highway Fund agency along with the Department of Public Safety (DPS) and the Department of Motor Vehicles (DMV). That is created in the *Nevada Constitution* so we get our revenue from the State Highway Fund.

As far as our mission, vision, and goals, I wanted to concentrate on the number one goal, optimizing safety. I am going to cover some points about pedestrian safety a little bit later, specifically. That has been a point of interest in the media and at our Transportation Board meeting yesterday.

The Department of Transportation is spread throughout the state, with the number one goal being responsiveness to optimize safety, particularly during the winter when we need snowplows on the road. We have 51 sites statewide. The primary major maintenance stations are District 3 in Elko, District 2 in Reno/Sparks, and District 1 in Las Vegas, with major maintenance stations in Tonopah, Winnemucca, and Ely.

Page 5 ([Exhibit G](#)) shows fiscal year (FY) 2014 obligations and the split in funding capacity projects—new interchanges, new bridges, lane widenings on existing freeways—are primarily in Clark County for 2014. However, this is not the case over time. Preservation projects are typically overlay of highways with asphalt or resurfacing projects. The nonurban areas outside of Clark and Washoe Counties were primarily where we did those types of preservation projects to keep our highway system functioning. There are a lot of miles to cover in the state. The nonurban main routes are outside of Clark and Washoe. Other projects include safety and bridge projects, what we call intelligent transportation system (ITS) projects to operate our system better. Those are split evenly between Clark, Washoe, and nonurban areas. The totals show that, at least in 2014, about 71 percent of the funding for capital improvements was spent in Clark County, 10 percent in Washoe and 19 percent in nonurban areas. See page 6 ([Exhibit G](#)) for a better picture looking at the five year period 2010-2014 that shows that Clark County still has the bulk of capacity projects, recognizing that there is a need to catch up with the growth in Las Vegas and the cities in Clark County. Preservation projects tend to be in the green portion, which is nonurban at 55 percent. So they are on other routes throughout the state highways. Looking at the other projects, you see that Clark County still receives the majority. Overall it does show that Clark County gets 45 percent of the funding, Washoe 15 percent, and nonurban 40 percent. We do have a lot of needs in the rest of the state besides Clark and Washoe.

We work with DMV and DPS to go over revenue projections for the State Highway Fund. We review those numbers with the Legislative Counsel



Bureau staff to make sure that we are sustaining a desired minimum balance in the Highway Fund and not overextending ourselves. We try to keep about six weeks of capital payments and about a month of other payments. Noncapital annual expenditures take approximately 8.3 percent of that amount. However unlikely, if there were to be a situation where our funding from the federal government was cut off, we want to plan for that event. As you see in the final bullet point, the projected ending Highway Fund balance of \$166.5 million for FY 2016 and \$118.7 million for FY 2017 is roughly the target. Gasoline tax is federal, state, and local. Counties can charge up to an optional \$.09. The point I would like to make about the gasoline tax is that in gas tax history for the state, there has been no significant change since 1995. This is true of the federal portion as well. Congress has to establish what that federal gas tax is. The state legislature establishes the state portion. Counties have their optional tax. The special fuel taxes are primarily diesel but also include propane and compressed natural gas. There have been no appreciable changes to those either since 1995. We have been looking at the issue of a distance-based collection method. This is a very long-term issue because we are not prepared for an implementation or a transition to anything else but cents-per-gallon fuel taxes for motor vehicles. However, it is something we have been studying and looking at other states as they study it. The slide on the bottom [page 10, [Exhibit G](#)] shows the fuel tax revenue has been pretty flat. However, the blue line does show that motor vehicles are constantly improving in fuel efficiency. The business model of basing fuel tax collections on vehicles that are getting more efficient eventually will catch up with us as it has. The fuel revenue indexing in Clark and Washoe Counties has been good for the department as well as a midrange or short-term solution, but when a car is battery-powered or totally electric, they will not be paying any fuel tax. They are paying a power source for that, and that is where the revenue is going. We will have to change our business model to address that in the long run. We are doing a vehicle miles traveled, or VMT, study in Nevada and looking into what other states are doing. Oregon and Washington are doing studies; California has been mandated to do a study similar to Oregon's.

The way the Federal-Aid Highway Program Works is we get about half our funding from the Federal Highway Trust Fund. Congress decides what these major categories, or apportionments, are for funding [page 11, [Exhibit G](#)]. We have national highway performance programs, surface transportation programs, congestion mitigation and air quality, which has to do with Clark and Washoe County because they have air quality issues, and a highway safety improvement program. Those are the major categories. Within those silos of funding NDOT gets an allocation. The Federal-Aid Highway Program is reimbursable, so we spend the money with state funds first. If a recipient such as RTC or a city or a county receives those federal funds through the RTC, they

spend the money first, and they get reimbursed through the federal program. One of the benefits of having so much federally managed land in our state is that the government recognizes that federal land is not bringing revenue into the state, so we get a lower match requirement, typically spending 5 percent to the federal government's 95 percent reimbursement. We are usually reimbursed very quickly by the Federal Highway Administration or the Federal Transit Administration depending on what the funding source is.

Congress authorizes, in multi-year transportation bills, for surface transportation. In this case we were operating under the Moving Ahead for Progress in the 21st Century Act (MAP-21). It expired and was extended through May 2015. This spring, Congress is talking about the future of surface transportation for the nation. President Obama recently presented a six-year bill to be funded. What he wants to do is fund it partially by corporate income tax where they would look at how much corporations have offshore in foreign revenue, to try to attract those companies into bringing that money back to make up some of the shortfall with those funds.

Every state gets a limit called the Obligation Limit. We have obligated all federal funds as you can see on page 13 ([Exhibit G](#)). There are two opportunities for Nevada to obtain unused monies from other states: the August Redistribution and the Last Day Funds. An average of \$12 million a year over the last 11 years has come to NDOT from other states' unspent federal funds.

The bulk of our funding goes toward capital improvements, \$418 million per year proposed for each of the years 2017 and 2018. There are two major projects in southern Nevada. Project NEON is a half billion dollar design-build project. Design-build is when we hire a team where the contractor works with their engineering department to finish the design that is only partially completed by the state. Boulder City Bypass/Interstate 11 was awarded just yesterday by the Transportation Board. That was more of a design-bid-build. The Department of Transportation took the design to 100 percent, we put it out to bid, and awarded it to the lowest responsible responsive bidder. I wanted to mention, Assemblyman Carrillo, that on the Boulder City Bypass we did use that alternative bidding process of concrete and asphalt. Concrete was the successful pavement design that was bid and awarded that project.

In northern Nevada, there are two major projects. USA Parkway is a roughly \$70 million design-build approach. We are in the prequalification phase now for those design-build teams. We hope to get that awarded and built by the end of 2017. We are hoping to get the Carson City Bypass, which currently ends at Fairview Drive, built to an intersection of U.S. Highways 50 and 395 and get all of the truck traffic off of Fairview. That will go out to bid in the next few

weeks. With the Boulder City Bypass, the fuel revenue indexing from RTC of Southern Nevada went to their phase, which is the bulk of the actual Interstate 11/Boulder City Bypass project.

For Project NEON, as you see on that red line, [page 15, ([Exhibit G](#))], the crash rate comparisons of the urban freeways of Nevada show the Project NEON area to have the most traffic and big safety and congestion issues that will be addressed by this multiphase project. We are doing as many of the phases as we can including that phase funded by the City of Las Vegas. It is going to be a great project, a multi-year design-build project that will be a half-billion dollar investment in the transportation infrastructure of the Las Vegas Valley and a 5.8 ratio of the benefits to the cost of the project.

Pedestrian safety is a serious challenge in our state not only in Washoe but also in Clark County. It is an issue that has been in the news a lot lately. There have been a huge number of pedestrian fatalities. We are doing our part in working with the RTCs, counties, and cities to try to drive these numbers down. We want to commit State Highway Funds to some of these improvements. In the past we looked at the roughly \$21 million of federal safety funds to address this. We want to use more State Highway Funds to address these projects. You might have seen in the news that we have reports that list recommendations, but we are not delivering them as quickly as we need to. We need to develop a tracking system so we can stay on top of these. Outsourcing maintenance of safety devices must be done to an electrical contractor if local resources are unable to maintain these traffic signals, so there will be no excuse for not installing these devices because of maintenance concerns. We need a better prioritization process, not just for safety projects but for all projects in the department.

We have a Complete Streets project that we will be advancing on Lake Mead Boulevard in North Las Vegas to create a safer road with fewer lanes, wider sidewalks, a dedicated bike lane, a safer road. I mentioned the Transportation Board approval of roughly \$10 million; the majority of that is in southern Nevada where the majority of pedestrian fatalities have occurred. This gives you an idea of the streets and highways where we are doing those improvements: a few signals on State Route 160; Blue Diamond; the signal on North Virginia by the Bonanza Casino; improvements to the pedestrian crosswalks at Sun Valley, North Virginia, Kietzke, State Route 28, which is still in Washoe County; and some improvements by the Cannery on Boulder Highway and on Charleston Boulevard. We have done a lot of improvements to give pedestrians some refuge in the middle of the road. We have installed the RAPID rectangular flashers so that when pedestrians push the walk button, drivers can see and pay attention to the crosswalk area that is sometimes obscure. We ask that

motorists and pedestrians be very cautious when crossing in crosswalks, to pay attention in order to drive those fatalities down.

**Assemblyman Jones:**

On slide number 15, there is the cost-benefit ratio. What is that 5.8?

**Rudy Malfabon:**

The cost-benefit ratio includes statistics that tell us about different factors. When you build the project, what are the quantifiable savings in time, what are the changes in air pollution? If you reduce the amount of air pollution, it is going to result in some savings. If you have a better transportation system, there will be less wear and tear on vehicles. There will be fewer serious injuries and fatalities resulting in lower insurance rates. There is a way to calculate how the state and public at large save money and lives through these improvements. All of those things are incorporated into the benefits. You know the costs of acquiring the rights of way, engineering, and construction of the project. The 5.8 is the ratio of those. However, it does not include some of the economic benefits such as jobs created, or improvements for business and development of the highway property along those stretches of road.

**Assemblyman Jones:**

I would like to see the formula for that. Does every major project have a cost-benefit ratio applied to it?

**Rudy Malfabon:**

We provide that on all major projects.

**Assemblyman Jones:**

Is the 5.8 considered a high rating?

**Rudy Malfabon:**

Yes, typically if a project is above a one, it demonstrates that the benefits outweigh the costs. The USA Parkway project had a roughly 9.1 ratio. Typically they are about 2.1 or thereabouts. We do not include the job creation that is involved with the projects in these numbers.

**Assemblyman Carrillo:**

I guess there was \$10 million in state highway money spent in my area for some improvements on Boulder Highway, Sun Valley Drive, and three other locations to try to safeguard pedestrian walkways. It is good to see this happening. They mentioned that it is an angled pedestrian walk, angled in such a way that pedestrians will be facing oncoming traffic.

**Rudy Malfabon:**

That is called a Danish offset. It forces the pedestrian to observe what traffic is coming at them rather than just walking. As you observe pedestrians, sometimes it appears they are not paying attention to the traffic, so that Danish offset has them cross and then walk towards the oncoming traffic and then cross again. That helps them to face forward at the traffic as they finish crossing the road.

**Assemblyman Carrillo:**

That would be similar to what they have in front of the University of Nevada, Las Vegas, where the center median is.

**Rudy Malfabon:**

A lot of the local public agencies in southern Nevada have been putting these in. We will be doing the same.

**Chair Wheeler:**

Do you know how many actual miles of roads there are in Clark County versus the rest of the state?

**Rudy Malfabon:**

We did just publish our 2014 facts and figures book. I think that it shows that in Clark County there are about 5,500 total miles of improved road. The DOT-maintained portion is roughly less than 400 of those. A lot of the roads in Clark County are primarily maintained by the County and the cities. The Department of Transportation has the higher order freeways. The Department should be more in the business of a beltway or parkway facility. Although NDOT does maintain some of the local streets, we are adopting regulations and forwarding them to the Legislative Counsel Bureau for consideration of final approval of road transfers.

**Assemblyman Carrillo:**

Mr. Sever, how many bridges are in the state highway system that NDOT maintains?

**Sean Sever, Communications Director, Department of Transportation:**

There are 1154.

**Chair Wheeler:**

Are there any more questions? We will open the floor for public comment.  
Seeing none, meeting is adjourned [at 4:36 p.m.].

RESPECTFULLY SUBMITTED:

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Henri Stone  
Committee Secretary

APPROVED BY:

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Assemblyman Jim Wheeler, Chair

DATE: \_\_\_\_\_

**EXHIBITS**

**Committee Name:** Committee on Transportation

**Date:** February 10, 2015

**Time of Meeting:** 3:17 p.m.

<b>Bill</b>	<b>Exhibit</b>	<b>Witness / Agency</b>	<b>Description</b>
	A		Agenda
	B		Attendance Roster
	C	Assemblyman James Oscarson	Written Testimony
	D	Assemblyman James Oscarson	Constituent Letter
	E	Tina Quigley Regional Transportation Commission of Southern Nevada	PowerPoint presentation
	F	Lee Gibson, Regional Transportation Commission of Washoe County	PowerPoint Presentation
	G	Rudy Malfabon, Department of Transportation	PowerPoint presentation