

**MINUTES OF THE
JOINT MEETING OF THE ASSEMBLY COMMITTEE ON TRANSPORTATION
AND THE
SENATE COMMITTEE ON TRANSPORTATION AND HOMELAND SECURITY**

**Seventy-Fourth Session
February 13, 2007**

The Joint Assembly Committee on Transportation and the Senate Committee on Transportation and Homeland Security was called to order by Chair Kelvin Atkinson at 1:40 p.m., on Tuesday, February 13, 2007, in Room 1214 of the Legislative Building, 401 South Carson Street, Carson City, 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/74th/committees/. In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (email: publications@lcb.state.nv.us; telephone: 775-684-6835).

ASSEMBLY COMMITTEE MEMBERS PRESENT:

Assemblyman Kelvin Atkinson, Chair
Assemblyman Mark Manendo, Vice Chair
Assemblyman David Bobzien
Assemblyman John C. Carpenter
Assemblyman Jerry D. Claborn
Assemblyman Ty Cobb
Assemblywoman Susan Gerhardt
Assemblyman Ed Goedhart
Assemblyman Pete Goicoechea
Assemblyman Joseph Hogan
Assemblywoman RoseMary Womack

SENATE COMMITTEE MEMBERS PRESENT:

Senator Dennis Nolan, Chair
Senator Joseph J. Heck, Vice Chair
Senator Maggie Carlton
Senator John J. Lee
Senator Joyce Woodhouse



COMMITTEE MEMBERS ABSENT:

Senator Mark E. Amodei, Excused
Senator Maurice E. Washington, Excused

STAFF MEMBERS PRESENT:

Marjorie Paslov Thomas, Assembly Committee Policy Analyst
Matthew Szudajski, Senate Committee Policy Analyst
Sharon Wilkinson, Assembly Committee Counsel
Christine Henriksen, Assembly Committee Secretary
Kelly Troescher, Assembly Committee Secretary
Carolyn Allfree, Senate Committee Secretary
Matt Mowbray, Committee Assistant

OTHERS PRESENT:

Susan Martinovich, Director, Nevada Department of Transportation
Kent Cooper, Assistant Director, Planning Division, Nevada Department of Transportation
Rudy Malfabon, Deputy Director, Southern Nevada, Nevada Department of Transportation
R. Scott Rawlins, Deputy Director/Chief Engineer, Nevada Department of Transportation
Richard J. Nelson, Assistant Director, Operations, Nevada Department of Transportation

Chair Atkinson:

[Meeting called to order. Roll called.]

Senator Nolan:

Madam Secretary, please call the roll for the Senate Committee on Transportation and Homeland Security. Madam Secretary, please mark those present who are present, and those who appear later, please mark them present as they do appear.

Chair Atkinson:

May the record reflect the Assembly is present. As you know, we are here to hear from the Nevada Department of Transportation (NDOT). I see they are prepared and ready to go at the table. The Assembly was going to go on a trip this afternoon, but that trip has been cancelled due to weather. You (NDOT) have a little more time this afternoon.

Susan Martinovich, Director, Nevada Department of Transportation (NDOT):

I am happy to have the opportunity to make [the] presentation to you today. The tour was a good news, bad news thing, as I was set to go my 15 minutes, so you would have the opportunity to go on the tour. Now, thank you for the opportunity to allow you to ask questions. With me today are members of our staff. I would like to point out the individuals sitting with me at the table: Scott Rawlins, Deputy Director and Chief Engineer from Carson City; Rudy Malfabon, Deputy Director from our District 1 Office in southern Nevada. He has the same duties and responsibilities as Scott. We have some handouts ([Exhibit C](#)). We want to give you the opportunity to learn and to have the information at your fingertips. In the binders are fact sheets, our Fact and Figures book—which goes through some other information, revenue sources, how we spend our money—and a copy of this presentation. I will not go through every sheet of this presentation, but I will hit some of the high points. The Department of Transportation is overseen by the Transportation Board of Directors chaired by Governor Jim Gibbons. We have pretty much all new members on our Board with three elected officials: Lieutenant Governor Brian Krolicki, Attorney General; Catherine Cortez Masto; and State Controller Kim Wallin. Kim is in the audience today and we appreciate the support she has given to the Department. Jim Thornton, Father Caviglia, and Tom Gust are at-large members who represent the regions across the State. They meet quarterly to take care of NDOT policy and business. We are one of the few states that have the Governor on the Transportation Board. The Department's mission is to effectively design, construct, and maintain a safe and seamless transportation system for our economic, environmental, and social needs. Our goal is to be a statewide leader in transportation. There are several areas we want to improve upon. We would like to improve the safety of our public transportation, deliver beneficial projects, take care of our assets, and effectively communicate with our customers. There are several things I want to focus on during my tenure. Our previous directors put the department in a great position, and I want to expand it. We can improve our efficiency, our accountability, and our customer service, in addition to the general goals of funding, financing, and safety. The Department is divided into different sections. We have four assistant directors. Our Assistant Director of Engineering, Jim Souba, is responsible for all the pre-construction activities of

the department; our Assistant Director of Operations, Rick Nelson, is responsible for all the construction, maintenance, and Information Technology Services' efforts of the Department, as well as the security efforts; Kent Cooper is our Assistant Director for Planning and Community Relations, and he is responsible for early action before design; and Robert Chisel is our Assistant Director of Administration. He handles the nuts and bolts. We are proud of what the Department does and its ability to keep things lean in our business. We have three Districts and three District Engineers: Thor Dyson out of District 2, in the Reno area; Mary Martini in District 1, in Las Vegas; and Kevin Lee in District 3, in Elko and the very rural areas. We have maintenance stations throughout the State. The Department owns and maintains over 5,000 miles of roads. If you were to look at the chart in your handout, it shows that with the size of Nevada, we can fit six to eight eastern states within Nevada and not have a major highway go through any of those states. We have some tremendous challenges in what we do. Nevada is a state that commerce and trucks go through to the ports [of call] in Los Angeles, San Diego, San Francisco, and even north to Vancouver. A lot of vehicles and truck traffic use our interstates and cross over to the East. We are constantly making sure we can maintain our system to accommodate the movement of goods. The Department has over \$1 billion in projects on the ground and under construction. We are currently widening US-95, which has been our top priority out on Lake Mead Boulevard from the Spaghetti Bowl up to Craig Road and Cheyenne Avenue and that area. Projects are ongoing out to Rainbow Boulevard, to widen that from four lanes to ten lanes with improvements to the interchange. We recently completed Interstate 515 (I-515), the Henderson Beltway, and the Spaghetti Bowl with Interstate 215 (I-215). We have also completed Lamb Boulevard, Interstate 15 (I-15), and the Union Pacific Railroad (UPRR) crossing, which opened up the I-15 corridor in south Las Vegas. We have projects up on Interstate 80 (I-80), the truck climbing lane, projects heading westbound toward California, improvements on the Spaghetti Bowl, and Carson Freeway, where we have completed the first phase to US-50. Another project under construction, the Hoover Dam Bypass, is not the Department of Transportation's project. We, along with Arizona, have funding for that project and are coordinating with the Federal Lands Highway Program (FLHP), which is administering the project. The I-15 northbound widening between Primm and Sloan is completed and provides some additional capacity on the I-15 corridor between Las Vegas and California. We recently opened some lanes on I-15 through the core of the city [Las Vegas]. We were able to widen to the median, which provided some additional capacity through that corridor; and there will be some other lanes opening soon. State Route 160 (SR 160), the Blue Diamond Highway between Las Vegas and Pahrump, has several stages of construction. We are working closely with Clark County on projects that will address the tremendous growth and needs in that

corridor, as well as the safety impacts. An upcoming project is the I-15 widening from the Spaghetti Bowl out to Apex. That is going to be our first design-build project. Design-build legislation was allowed several years ago through this legislature and we are taking advantage of that type of alternative bidding. We are excited about it. The \$170 million that the Governor outlined in his State of the State speech and budget will go toward that project. It is out on the street now and should be awarded this Spring. The next phase of the Carson Freeway is from US-50 to Fairview Drive. Carson City has contributed 5 cents of their 9 cents gas tax toward the Carson City projects. They have contributed almost \$23 million for the first phase and an additional \$15 million for the second phase. The St. Rose Parkway widening and the Craig Road railroad crossing widening will replace an at-grade crossing with a structure that will carry the railroad over Craig Road. It will reduce the impact to the I-15. We have quite a few large, major projects that will be coming out.

The Department's revenue source is through the State Highway Fund. It is a constitutionally-protected fund made up of taxes and fees from both Federal and State. We are not the only agency that uses funding from the State Highway Fund. Other agencies that utilize the funding are: Department of Motor Vehicles (DMV), Department of Public Safety (DPS), and Transportation Services Authority (TSA). Some money also goes to the Department of Information Technology. We try to balance their needs with our needs. We are the primary users, but we are not alone. Our current budget for the two-year biennium has the State Highway Fund going below \$100 million at the end of fiscal year 2009. We have always tried to maintain a balance of \$100 million to allow a two-month time frame to pay our contractors and our staff. We are working closely with the Budget Division, but we would need to back off projects in order to maintain that \$100 million balance. The majority of expenditures goes toward construction on the ground and on the pavement. It accounts for about 70-80 percent. About 15 percent goes toward our routine maintenance operations, such as paving and striping; but the garbage pick-up, graffiti, and snow removal account for about one-half [of the 15 percent budget for maintenance.] About 5 percent of our budget is for administrative costs. This includes administration, reproduction staff, and our building and grounds people. We have run pretty lean for the last couple of years. The Department's employees number about 1,750, including the part-time employees. We have not had much of an employee increase. In fact, in our budget this year, we are asking for a 1 percent increase with the majority going to Las Vegas and for our maintenance activities. Our average distribution of funds goes to three major areas: capacity, preservation, and others. The majority of our funding goes to capacity projects in Clark County, with the majority of our preservation projects going across the State. Our preservation projects go to the rural areas. We

need to maintain our highways between our urban centers. Washoe County, Fernley, and Lyon County are all growing just as rapidly as Clark County. We are trying to balance the needs across the State. We have had some tremendous growth in Las Vegas and in Clark County and, with more people driving, it seem as if there are more cars than people. We have some huge challenges; it is not just our own population moving in, but we have visitors. Some of you may have heard me mention this statistic before, but of the 15 largest hotels in the United States, 13 of them are in Las Vegas. The other two are in Honolulu, Hawaii, and Opryland, Tennessee.

We have inflationary impacts. In the past, we have seen our cost of materials—concrete, steel, and asphalt—go up in double-digit numbers. The funding we have does not go as far as it used to. We have had to cut down on projects just because the cost has been increasing. We work closely with our contracting partners, but we are seeing fewer contractors bidding on our work. Some of the challenges we are working on: How do you package those contracts? Do you make them very big? Do you try to combine a bunch in the rural areas? Do you make them small to allow different sized firms? When you have only one or two contractors bidding on a project, instead of three or four, the prices increase.

Like other State agencies, we will lose over 40 percent of our staff in the next 10 years because they will be eligible to retire. These are our upper management level staff, the guys with experience. We are trying to address that through our own in-house training and by working with the Department of Personnel which has been developing great management training.

Growth also brings challenges in driver behavior. Nevada's fatality rates are not dropping, but increasing. While there are some engineering aspects that we can look at to improve, there are also driver behavior aspects.

The cost and the limitations of rights-of-way in areas we need to widen have presented some challenges. There is not enough money to meet the demands that we are seeing. We do have some successes. Currently, we are Number 1 in the nation for the smoothness of our roads on our principal arterials. They are our Nevada Highway State routes and our Interstate routes. This comes from a national study done by the Federal Highway Administration. We are Number 1 in the condition of our bridges. We recognize the need to protect and maintain our assets. Our budget is approximately \$700 million a year. As I indicated, we try to put that money to the pavement. All the money goes to the pavement in conjunction with other types of projects. We have our pavement preservation program, and that is why we have the smoothness [of

our roads.] We have learned if you are proactive as opposed to reactive, you save a lot of money. If you can get out there and do a minimal overlay, say a one-inch or two-inch [overlay] versus doing a total reconstruction, you not only save in the cost of materials, but also the effect on the public. You can do an overlay in one pass versus the longer [time] you are under construction. We do not like to cut back on our pavement preservation program because the roads we would have done earlier are going to cost us more. We have a project development program. We have worked with the communities in all 17 counties on what projects they would like to see. We have great relationships with the local Metropolitan Public Organizations (MPO) in Clark County, Washoe County, Carson City, and Lake Tahoe. Every year we meet with the other 13 counties to see what they need from the Department of Transportation. We identify projects and look beyond the next year. We have done ongoing corridor studies and need analyses on every major highway. They are being done now in and out of the Las Vegas valley, Washoe County, and some corridors in Douglas County on US-395, and Lyon County on US-50 because of the tremendous growth.

The Department has the finest maintenance personnel. All of our employees are excellent, but it is our maintenance personnel who are on the road. They are out there now, paving on Mt. Rose, or keeping Interstate 80 and US-50 open in the snow. They are out there in any kind of weather, any holiday. They give up their time for the people of the State—garbage removal, snow removal, they are doing it all.

We have started a landscape aesthetics program. We recognize that the community does not like the black pavement with white stripes. I am an engineer, but I can appreciate the need and desire for color and plants. That is not to say we put out plants that do not grow here. We have done some extensive research and recognize that there are some nice things you can do to meet the type of terrain and landscaping conditions we have. We work closely with the locals in developing themes that they want to see in setting up programs. While widening a road provides some capacity, eventually you reach a limit in how far you can widen and realize that you need to operate your systems better. We believe and are working hard toward providing more customer information through freeway management systems. We recently initiated a 511 system. There will be some public broadcast announcements letting people know about it. They will be able to access [it] by telephone to know what the conditions are.

Our Freeway Service Patrol is out on the road in the critical areas of the Spaghetti Bowl, in both northern and southern Nevada. These are a great help

in providing additional capacity. Some of you may have seen when there is an accident, there is quite a bit of backup. The sooner you can get people off the road and on their way, the better. Even if there is no accident, you always have people rubbernecking which slows down the traffic flow. We have had great success with the Freeway Service Patrol operations, and will continue to work to expand it.

Senator Nolan:

I have a question regarding service patrols and highway accidents. Last year I attended a national conference for state legislators on congestion problems on major freeways. In other states they have rapid response, law enforcement, and highway systems in place. It was described as vehicles that sit idle, and have traffic direction [duties], and coning vehicles. Law enforcement's primary responsibility, after scene control and safety of the victim, is getting that accident off the road and getting the traffic moving as rapidly as possible. They dedicate a lot of resources to making sure that happens. I know that we have some members of our Highway Patrol in here. They do a fine job of investigating and trying to get those freeways and lanes open as soon as possible, but I do not know if we have the same type of rapid response and emphasis on trying to get things photographed and identified as quickly as possible and a priority of getting traffic lanes opened. I know when we have accidents on I-15 South, it might be a fatal accident that requires intense investigation, but there are times I see traffic just stopped. It does not seem as if we have those rapid response initiatives. I was wondering if you know anything about that, or if this is something we can explore.

Susan Martinovich:

I am not aware of a formalized action in place. I know that when we are aware of accidents, we work closely with the Highway Patrol to try to do traffic control and provide directions, but that is definitely something that we can explore and look at further in some of the areas.

Senator Nolan:

Part of that is redirecting traffic, actually. You must have the resources to be able to redirect traffic, pull it around the accident on the opposite interstate lanes. Apparently, they [rapid response team] are able to do that safely and keep traffic moving in both directions. If you could look into that I would appreciate that.

Susan Martinovich:

Yes, we will. That is one of the challenges we have. If we are notified, we are able to respond and get the changeable message signs out there and start the diversion [of traffic.] It allows us to clear out the backup, gives law enforcement the opportunity to do what they need to do, and open it up. We will look and see if there are opportunities to have an actual rapid response team.

The Department has worked closely with the Office of Traffic Safety to develop a Nevada Strategic Highway Safety Plan. There is a committee developed by the Nevada Executive Committee on Highway Safety, which is made up of NDOT, engineering, and individuals who have an interest in the safety area. The Regional Transportation Commission (RTC), Highway Patrol, and the Metro have members. We have been able to jointly develop the strategic plan that outlines some areas to help lower fatalities. The five emphasis areas are: driving under the influence (DUI), intersections, seatbelts, lane departures, and pedestrian incidents. Our overall goal is to lower the 400 plus fatalities we had last year by one-third. Last week there was a presentation from the Blue Ribbon Task Force. It was established by former Governor Guinn with members from across the State to look at several things. Their objectives were to review the need for future NDOT projects, to look at the State highway system, to look at safety, and the quality of life, to review costs of the projects NDOT identified were needed, and to review revenue projections and evaluate funding options. The projects identified by the Blue Ribbon Committee as necessary were most of the roads in and out of Las Vegas: I-15, I-515, US-95, all directions; in northern Nevada, the Interstate 80 corridor, and the US-395 corridor. Additionally, necessities included maintaining our preservation program, our Intelligent Transportation Systems (ITS) program, which is part of the operations and managements, and some opportunities for passing lanes and widening in the rural areas. In looking at the costs of those projects, and what the revenue sources are, they projected the \$3.8 billion shortfall. There has been discussion on how to receive revenue for that shortfall. We receive quite a bit of money; about 25 percent of its funding is from Federal monies through the national transportation bills. The current bill is called SAFETEA-LU (Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users) and expires in 2009. We are working very diligently nationally, to set Nevada up to be in a positive position to receive a large percentage of funding in the next bill. The policies that are created in the next transportation bill allow flexibility for the Department to use that funding where we have needs. We are constantly at the mercy of obligation and reauthorization through the federal government. We have some challenges of balancing when to let projects out versus when we are going to get paid back. Overall, the Department of Transportation is doing a good job. We will work to be even better than we are now. We recognize the

needs across the State, in southern Nevada with the growth, in northern Nevada with the challenges. Our staff stands ready, willing, and able to do the job. Transportation brings economy; it brings jobs, and it affects the people's quality of life. I thank you for the opportunity [to speak to you] and we will be open to questions.

Senator Heck:

I have some questions that will probably result in more of a request for information, unless you are able to answer them at this point. Some Senators watched a presentation from the Blue Ribbon Task Force outlining their report last week. During that presentation there appeared to be a disconnect between some of the projects and their funding levels, and whether or not they were truly needed by the year 2015. One project is the I-15 corridor to Apex. In 2015, according to the report that was given, without any projects, the piece past Craig Road out to Apex will still be at LOS D (level of service) [little driver freedom at tolerable operating speeds, approaching unstable flow], which is acceptable according to the key in the legend; likewise, for the I-15 south corridor from Blue Diamond south. By 2015, that is part of the mega-project but is listed as having acceptable levels of traffic flow even if no project was done by 2015. The last one I have is the US-95 northwest corridor from the Beltway to Kyle Canyon. It would actually be LOS C [acceptable free flowing conditions] without a project. The total of those three projects is \$780 million. What portion of that \$780 million could be attributed to the legs of those projects which were determined by the Blue Ribbon Task Force to be at LOS level C or D by the year 2015? I certainly do not expect you to be able to address that off the top of your head.

Susan Martinovich:

I would like to clarify a couple of items. Not all of those projects were intended to be done at once. If we had the money today for all those projects, we would gridlock. We would gridlock Las Vegas with the construction projects that we have in the valley. The projects are in different stages—environmental documents and right-of-way acquisitions. They were packaged so that when funding became available, we would have the most immediate need packages and could move forward. The parts of those projects that you identified are the long-range projects that would go out to bid and construction more in the 2013-15 and beyond range. About the level of service: level of service A is free-flowing freeway. You are on the freeway, you are going 60 [mph]; you can go as fast as you want to. That is level of service A. Level of service F is stopped. When we are designing to a level of service D, that is nothing to be proud of. We are not addressing long-term future needs. One of the things we found when we were designing these projects 10 or so years ago, we tried to

design out to the 20-year design. We were reaching the 20-year volumes in 10 years. Our designs, now that we have planned to go out to a 20-year design for a level of service D, do not have much room for a lot of growth before they would start to fail. We will provide you with the information on the amount of money, what those portions are, and lay out the plan.

Senator Heck:

The next question I have was brought up by the Task Force but was not listed as one of their recommendations. That recommendation was to revert the approximately 850 miles of roads currently on the NDOT system that would not qualify to be maintained by NDOT back to the municipalities, resulting in about a \$24 million a year cost savings to NDOT. Is that in process? Is that something that is on the radar screen of NDOT to pursue, or is that why it was not one of the recommendations of the task force?

Susan Martinovich:

Senator Heck, yes it is something we are already working on. We have developed an inventory of those roads. We have been going out to the counties and offering that, but the counties have been less than enthusiastic in taking us up on our offer.

Senator Heck:

Why?

Susan Martinovich:

I do not understand. We did explain that the roads would be in excellent condition when we turned them over, or if they were not, we would give them the money that we would have spent in getting the road in that condition, thus, giving them [the] opportunity to use that funding toward that road or some other road. We have been able to turn some roads over to Washoe County and to Elko. We will be in discussion with Carson City in a couple of weeks. We are in those discussions, but it is just not going as rapidly as we had hoped.

Senator Heck:

When we talk about this \$3.8 billion shortfall, I am curious whether or not you will be able to provide me with a cost associated with the decorative hand painting of the sound wall right now on US-95 in the Boulder Highway area and similar projects. When the wall went up, and I saw that it was stamped and decorative, I thought that was pretty good. But, for the last several days before coming up here, I drove down US-95 and saw a crew of ten on their scaffolds hand painting it, which made me question the cost associated with it.

Susan Martinovich:

Typically, we have to paint them, or have some painting anyway. We have found that it isn't much painting, but, the hand painting is disturbing. I will check on those costs.

Assemblyman Carpenter:

What is the situation regarding the funding for transit systems? Do you have any new information on whether the money will be forthcoming from the Feds or not?

Susan Martinovich:

I am going to let Kent Cooper, Assistant Director of Planning, answer the question. That is his purview.

Kent Cooper, Assistant Director, Planning Division, Nevada Department of Transportation:

I assume your question concerns the transit funding for the rural areas. When Congress passed SAFETEA-LU, they redirected a lot of money to what is called our Section 5311 funding, approximately \$4 million a year, so we have had a very good success rate with the rural areas in regard to funding their needs. However, the challenge still remains for those rural areas in making the match on that money. Typically, the match on those is 50 percent. It can be an in-kind match, but as you are well aware, this has been a very large issue for those rural areas to be able to make the match, even with the in-kind percent. There were some movements at the federal level to reduce that match percent. There were proposals based on the amount of federal lands in the state, and proposals to reduce the match nationwide without regard to the federal lands in the state. However, they only reduced it to about a 55-45 split, which is still a very large issue for the rural areas to make that match.

Assemblyman Manendo:

I wanted to mention that the 511 system is absolutely wonderful. I tried it; I called up and gave a response and said how wonderful it is. I commend you on that program. It is very useful, especially for people traveling the State. You mentioned having meetings with local entities about the different projects. Could you tell me a little bit about your conversations with Clark County?

Susan Martinovich:

Yes, Clark County has a local metropolitan planning organization, and they develop their transportation improvement plan and their programs. They develop their own programs, and then NDOT adopts them. We cannot change it, and we adopt it into our Statewide Transportation Improvement Program. When we work with the counties, we are on the Executive Advisory Committee (EAC). We have a member, Rudy Malfabon, who sits on that committee. The EAC will adopt the local county transportation improvement plan and NDOT statewide improvement plan. It then goes to the local Regional Transportation Commission (RTC) for adoption. I am now an ex-officio member on the RTC. I did not attend the Clark County meetings in the past, but we usually provide a briefing of the activities that NDOT is working on, and we ask for their adoption of the statewide transportation plan.

Assemblyman Manendo:

What are you hearing when working with the locals? You mentioned that the budget was \$700 million a year. As you know, quality of life issues come in a wide variety of ranges, whether it is smooth roads, graffiti in neighborhoods, or people participating in schools or volunteering their time. There is a big definition of what constitutes a good community. One of the things we hear from Senate District 7, which is represented by [Senator] Titus and [Senator] Care, and Senate District 5, which is represented by Senator Woodhouse and Senator Heck, and my District is the quality of life issue, which is the sound wall issue. I know your budget for sound walls, which is an internal policy, is \$2 million a year, correct?

Susan Martinovich:

Yes, Assemblyman Manendo.

Assemblyman Manendo:

That is not in statute. I am wondering if there is any room within your budget to expand that \$2 million to \$4 or \$6 [million], or do we need to look at it legislatively and maybe do some type of mandate, perhaps \$10 million a year, or something? There are people at our end of the valley who are pretty happy with most of the roads, depending on, obviously, where they work and where their families are. Their commutes are pretty easy and we appreciate that, because NDOT has done a fabulous job, and there is a lot of work to be done. The major issue they have is with the noise. When you talk to the folks who have lived in these homes since the day they were built, and drive in the valley and say "...gees, everybody is getting theirs [sound wall] and we are not. Why are we continuing to be left out? We have been here for 30 years, 35 years...." I just had another gentleman call and we had a meeting. I appreciate meeting

with the locals, and I think they are willing to do it, but it sounds like you are tapped out for the next five years. We have to go back to our constituents and tell them they are not on the list to even be considered for another five years. What can you do? What can we do to jump-start it? It is just another delay of five, six years, and by the time it's approved and built, it is just so far away. You go out there and you can hear the noise. They actually qualified from the decibel system for sound walls 12 years ago. It is not like we have to do a study to see if they qualify. They qualify. What can we do to help you? What can you do?

Susan Martinovich:

Assemblyman Manendo, there is always opportunity to change the policy. If we have a policy and it is not working, we can modify it. Regarding funding, if you put funding in somewhere, it is taken away from someplace else. That being said, we can work with the local entity. In your specific [case], that is Clark County. If they work and come forward with a match of their priorities, NDOT will come forward with a match to move that project forward. We can look at some mechanism for that.

Assemblyman Manendo:

Over the years we have been ping-ponged back and forth. The locals are saying if NDOT commits to it, we will do it, and vice versa. If you are tapped out over the next five years, even if you come up with the money in five years, we go back to the locals and tell them you will look at it in five years. It is hard for them to commit to something so far away.

Susan Martinovich:

There may be opportunities in some of our other programs that are slowing down where we can reallocate the funding toward the sound walls. We can look at that. If Clark County came to us today and said we have the match for it, we would be able to work out something with them. The design would take a little bit of time so we could spread it out. I will make the commitment today. We will work with them if Clark County approaches us, and they would not have to wait five years.

Assemblyman Manendo:

We are going to meet with Commissioner Woodbury and Commissioner Reid.

Senator Lee:

Your predecessor, Jeff, worked very hard to bring things into proper perspective in southern Nevada. Are you still doing plan review and permitting? Are you now doing plan review and permitting through the Las Vegas office for the Las Vegas projects? For a while, they were having a tough time getting these projects approved and they were all coming up north. Can you give me an idea of what we are doing with that?

Susan Martinovich:

That has been one of the areas that Rudy and I have discussed. We need to keep those down in southern Nevada. We are building up on expertise and on staff. The goal is to streamline our permitting process. There is no reason for them to come up north to headquarters every time.

Senator Lee:

You say you are working on it?

Susan Martinovich:

It has actually been implemented. There may be an occasional one where there is another project or some conflict. They will stay down in southern Nevada. It does not even have to go to Rudy's level; we can empower our District Engineer to sign off on those permits so that they can get out.

Senator Lee:

That is wonderful. That sure speeds up a lot of curb cuts and things that have to happen. I am looking at your projects under construction and I note two projects that are probably near and dear to my heart, and I share this with Chairman Atkinson. First, on Craig Road, the bypass below I-15 over the railroad tracks, can you give me an update?

Susan Martinovich:

Yes, Senator Lee, it is ready to advertise. The design is done. The City of North Las Vegas has been responsible for obtaining the right-of-way. They have been working with our Right-of-Way Division. The project is on schedule to advertise in May. We are still pushing to get to that point. It has been long coming, but it will provide some tremendous improvements.

Senator Lee:

That will be wonderful for our constituents. Second, I happen to ride a bicycle and I know the Red Rock Loop area, the State Route (SR) 159 to Charleston to Blue Diamond. We have a lot of meetings out there concerning maybe building

an asphalt lane for the cyclists or something. Have there been any movements on that project? There have been a lot of highway deaths with motorcycles and cyclists and cars. I do not know if anything has ever been advanced?

Susan Martinovich:

We have moved forward with the restriping and signing that we could do to that area.

Rudy Malfabon, Deputy Director, Southern Nevada, Nevada Department of Transportation:

On State Route (SR) 159, we did the four-foot widening. This project is nearly completed. We just have to do some slurry sealing of that new pavement. We did have some conversations with the Regional Transportation Commission (RTC) about a separate bike path, not a bike lane that is contiguous with our highway. They were going to look into whether Southern Nevada Public Alliance Management Act money could be used for that, or some other source of funding. The RTC itself, as an entity, is not named in that legislation. The money for that would have to go through Congressional Law to Clark County or Las Vegas to fund that type of project. It would be Clark County's jurisdiction. If it were to come to pass, this type of project would most likely work from Clark County to the RTC of Southern Nevada to get into the plan. The Department could help with environmental work and, typically, we would have our engineers down in Las Vegas coordinate with their local counterparts. As far as a project, that is not on our list of projects to do right now, but it is something that we would expect the locals to try to get some of that Alliance Management Act money to fund.

Senator Nolan:

By way of public notification, following this hearing with NDOT, the Senate Transportation Committee will convene in this room to hear Senate Bill 49, after about a five-minute break. A quick thumbnail on two projects, maybe either Scott or Susan can talk on the Galena Bridge project, where are we now and where are we going with it? Rudy, in southern Nevada, if you could explain why there is the I-215 to Decatur slowdown, eastbound. I get more complaints about that and I have no idea why. I cannot figure out why traffic stops at I-215 and Decatur, then picks up right after Decatur where there are no major freeway onramps or interconnect right at that particular point. Traffic stalls constantly.

Susan Martinovich:

I am going to have my Deputies answer those questions.

Scott Rawlins, Deputy Director/Chief Engineer, Nevada Department of Transportation:

The I-580 project is under construction now. Fisher Sand and Gravel is out there operating now. We were going to take a nice trip out there to show you the site; but, unfortunately, the weather is not going to let us. We are proceeding. They are set, and we have a very good project manager plan in place. It should be done in approximately 1,000 days.

Senator Nolan:

We understand the previous contractor bailed on the project. I assume there is some ensuing litigation, or has there been a settlement? How much of a cost overrun was there? Are we now looking at the project, and how much of a time delay has it caused?

Scott Rawlins:

We are going to let our Assistant Director of Operations answer that question.

Richard Nelson, Assistant Director, Operations, Nevada Department of Transportation:

When Edward Kramer and Sons (EKS) refused to construct the bridge, we negotiated a termination agreement with them. We actually let them bail. It was a good opportunity for us to get out of that contract with Kramer and move the project along. As far as the extra costs go, it is important to remember that the inflation of the day was quite excessive. In the construction industry, we were looking at 10 to 16 percent inflation per year. I did provide some information to the Legislative Counsel Bureau (LCB) and I can certainly give you the facts and figures in written form. When we looked at the amount of work left that EKS did not finish, it amounted to about \$32 million. That \$32 million worth of work was in 2003 dollars. Based on the inflation we were seeing in construction, it was in the area of 10 to 14 percent. When you inflate that \$32 million forward, it amounts to about what we see in the bid that Fisher Sand and Gravel gave us to do the package "B" work, plus the remaining work. While there was inflation in those dollars, it was inflation in the construction industry and not an extra cost that was added to the project.

Senator Nolan:

Was there any remuneration by the original contractor on this?

Richard Nelson:

The termination agreement negotiated by Director Fontaine and the President of Kramer had 30 or so different provisions, but in short, we paid Edward Kramer and Sons only for the work that they had completed under the contract at the

unit prices. Any work they had in progress, or work that was there to complete, such as access roads, temporary bridges, and those sorts of things, we did not pay them for, but they left them for our benefit.

Rudy Malfabon:

Mr. Chairman, regarding your question on the backup or slowdown on (Interstate) 215 eastbound, Clark County has jurisdiction over the I-215 Beltway and that area although NDOT does maintain the portion called the Airport Connector from the system-to-system interchange with I-15 up to the tunnels that go into the airport under the runway. What I can do is follow up with Denis Cederburg, the Public Works Director for Clark County, to get a response back to you. My impression is that it is because of the proximity of the system-to-system interchange. When you have a large interchange with that much traffic on I-15 with the cars going eastbound on the Beltway to go northbound on I-15, there is a lot of merging with people looking over their shoulder to make sure the lanes are clear. People are jockeying for a position to get to the on or off ramps. I will ask Denis Cederburg to give a response and get it back to you.

Senator Carlton:

My district borders [Interstate] 15 northbound coming out of downtown [Las Vegas]. Last summer or the summer before, a chunk of it fell out, and I would like to know what happened there.

Rudy Malfabon:

That was at the Casino Center Bridge. Regarding the infrastructure on some of the roads, it is not a structural issue as much as it is a lot more traffic on those structures that were built 30 years ago. There is deterioration and occasionally you have problems like that. We have an emergency contract to remedy the situation. We try to identify areas. The same situation happened last year on Lake Mead and I-15, and we put out an emergency contract to fix the problem. Recently, we put out another project to fix those areas. As Susan mentioned, we are doing a good job on bridges. There are isolated areas that might have a structural problem or a deficiency. As an example, there is a pothole in the asphalt, or some deterioration in a small area on a concrete bridge. We have been addressing those through maintenance contracts. I would like to mention, with the start of the engineering group that we have in Las Vegas, and thanks to the support of the Legislature, we have some new positions in Las Vegas on the maintenance side. They will work closely with the bridge division here at headquarters, identify those, and do the repairs with smaller size district contracts.

Senator Carlton:

Now I realize why a lot of folks were told that it was not a big deal. When pieces of the highway fall out, people do get concerned. It is not structural, but it is still a hole.

Assemblyman Goicoechea:

You were talking about the short and long-range planning you do by visiting the rural counties. As I look at your graph, I assume that most of that is funded out of your maintenance budget.

Susan Martinovich:

Yes, Assemblyman, it is usually through our capacity budget and the pavement preservation programs. We also try to maximize our federal funding, so, if a road does qualify for federal money, we will use federal money. Otherwise, we will use State money on our preservation projects.

Assemblyman Goicoechea:

Everyone is talking about roads in their districts. You are aware that we need to deal with the Cummings Lake Bypass. The highway is now the dam and impounds the water at Cummings Lake. In a couple of visits there through the summer, it looked to me like we would probably be better served to go ahead and realign that highway and let NDOT deal with the dam and the structure so that: 1) we do not lose our highway one of these afternoons and, 2) once they define projects, they might be able to move forward. What are your thoughts on that?

Susan Martinovich:

Assemblyman Goicoechea, there was some alternative analysis done there, and it was tricky. On the dam, the issue comes down to funding. We estimated the three alternatives at about \$15-20 million each. One of these would be going around the dam. We talked to the Department of Wildlife to see what funding revenue sources they have. We were able to realize a part of it, but right now all the funding has not been identified. We have gotten to a point where we can move forward once that funding has been identified and actually get into the final design.

Assemblyman Goicoechea:

Are you looking into an alternative, a complete bypass moving off the dam? It clearly looks like that makes the most sense.

Susan Martinovich:

Yes, sir.

Assemblyman Cobb:

Has there been any examination by a group about possible cost savings by privatizing some of the responsibilities that NDOT currently has in such areas as graffiti abatement and road maintenance, if not for all of Nevada, at least for certain urban areas?

Susan Martinovich:

For road maintenance, yes, there have been some studies and analyses done. I do not have the answer and we can look at that. As far as graffiti abatement, that is an opportunity that we are looking at in conjunction with local entities because it is happening all across Nevada. Maybe we can enter into some partnership where we pooling our resources and hire a private firm to move forward. That is an opportunity that we are looking at, both in northern and southern Nevada. I will get you the information on the maintenance aspect.

Chair Atkinson:

Are there any other questions? [There were none.] I would like to take this opportunity to thank you, Ms. Martinovich, and your staff, for putting on a good presentation. We had a lot of questions answered. I am glad we had a little more time to spend with you today. [Meeting adjourned at 2:46 p.m.]

RESPECTFULLY SUBMITTED:

Christine Henricksen
Committee Secretary

APPROVED BY:

Assemblyman Kelvin Atkinson, Chair

DATE: _____

Senator Dennis Nolan, Chair

DATE: _____

EXHIBITS

Committee Name: Assembly Committee on Transportation/Senate
Committee on Transportation and Homeland Security

Date: February 13, 2007

Time of Meeting: 1:30 p.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster
	C	Susan Martinovich, Director, Nevada Department of Transportation	Presentation