

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

**Seventy-Fifth Session  
February 10, 2009**

The Committee on Transportation was called to order by Chairman Kelvin Atkinson at 1:42 p.m. on Tuesday, February 10, 2009, in Room 3143 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4401 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/75th2009/committees/](http://www.leg.state.nv.us/75th2009/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](mailto:publications@lcb.state.nv.us); telephone: 775-684-6835).

**COMMITTEE MEMBERS PRESENT:**

Assemblyman Kelvin Atkinson, Chairman  
Assemblyman Mark A. Manendo, Vice Chair  
Assemblyman John C. Carpenter  
Assemblyman Chad Christensen  
Assemblyman Jerry D. Claborn  
Assemblywoman Marilyn Dondero Loop  
Assemblyman Pete Goicoechea  
Assemblyman Joseph M. Hogan  
Assemblyman Ruben J. Kihuen  
Assemblywoman Ellen B. Spiegel  
Assemblywoman Melissa Woodbury

**STAFF MEMBERS PRESENT:**

Marjorie Paslov Thomas, Committee Policy Analyst  
Darcy Johnson, Committee Counsel  
Sharon McCallen, Committee Secretary  
Marlen Schultz, Committee Secretary  
Nichole Bailey, Committee Assistant

**OTHERS PRESENT:**

Randall H. Walker, Director of Aviation, Clark County Department of Aviation, Las Vegas, Nevada

Jacob L. Snow, General Manager, Regional Transportation Commission of Southern Nevada, Las Vegas, Nevada

Derek W. Morse, Interim Executive Director, Regional Transportation Commission of Washoe County, Reno, Nevada

Gordon Walker, Administrator, Taxicab Authority, Department of Business and Industry, Las Vegas, Nevada

**Chairman Atkinson:**

[Roll taken.] Today we have four presentations and a bill draft request (BDR) for presentation.

**BDR 43-77** - Revises provisions governing the issuance of drivers' licenses to certain persons. (Later introduced as [Assembly Bill 153](#).)

ASSEMBLYMAN MANENDO MOVED TO INTRODUCE BDR 43-77.

ASSEMBLYMAN GOICOECHEA SECONDED THE MOTION.

THE MOTION PASSED. (ASSEMBLYMAN CLABORN WAS ABSENT FOR THE VOTE.)

**Randall H. Walker, Director of Aviation, Clark County Department of Aviation, Las Vegas, Nevada:**

[Presented data from PowerPoint ([Exhibit C](#)).] The Department of Aviation owns and operates McCarran International Airport (also referred to as McCarran) and four other airports in southern Nevada: the North Las Vegas Executive Terminal, the Henderson Executive Terminal, the Jean Sport Aviation Facility, and a rural airport in Overton.

You have been provided with an organizational chart showing how we are operated differently than the Reno-Tahoe International Airport. We are a county department, owned and operated by Clark County. I am a county department head and report to the County Manager, Virginia Valentine, who reports to the Clark County Board of County Commissioners. We have nine divisions operating at the county managing all of the operations and administrative functions of the airport.

We currently have 1,513 employees working for the county at McCarran and an additional 16,500 employees working for the airlines, the concessions, and other airport tenants. There are in excess of 18,000 people working at the airport.

In 2008, McCarran hosted over 44 million passengers through McCarran. Unfortunately that is a 7.7 percent decrease from the prior year. We handle about 120,000 passengers each day, 60,000 in each direction.

In 2007, we ranked as the seventh-busiest carrier in the United States. The most important statistic I would like you to remember is, McCarran is the second-busiest Origin and Destination (O&D) airport in the world, behind Los Angeles (LAX). That means we handle more people through the front door on an average day than any airport but Los Angeles. The busiest airport in the world is Atlanta, and 65 percent of their passengers are connecting; they go from gate to gate. They never experience the ticketing, baggage claim, and all of the other parts of the airport. This is an important thing to remember.

We are an enterprise fund of Clark County, and as such, we do not use county or state tax revenues to operate the airport. We are self-sustaining. There is one locally authorized tax, which is the Jet-A fuel tax, a county option of up to four cents. The county currently has authorized two cents. One cent goes to the Regional Transportation Commission of Southern Nevada. Since 1990, the Jet-A fuel tax is under federal law, and any increase in Jet-A fuel tax must be for the benefit of airports. This is a question that has come up in prior years.

The costs of operating the airport are supported principally from airport revenue, which I will talk about in more detail. The airport revenue we use for the day-to-day operations, also pays our revenue bonds, which we issue for the capital needed to construct our projects. We also receive a passenger facility charge which is the \$4.50 charge you will see on your airline ticket as the XF code if you depart Las Vegas. You can be charged up to four of those charges in one trip in the United States.

We also receive some Airport Improvement Program (AIP) grants from the federal government. This is from a program similar to the highway trust fund. You pay gas taxes that go into the trust fund, and when you buy an airline ticket there are airline taxes imbedded in the ticket. It is 7.5 percent of the ticket cost, plus \$2.50 per segment. This goes into the airway trust fund which is used to fund the Federal Aviation Administration and to fund the AIP grants.

Our source of funds in the fiscal year ending June 30, 2008, totaled \$612 million. This is not operating revenue; it is total revenue. This includes Passenger Facility Charges (PFC) and other revenues received for capital purposes. Our largest, single source of revenue is building and land rents at 21.5 percent. This is principally revenue we collect from the airlines for the leases they have at the airport. The second largest is PFC proceeds at 13 percent. Our third largest revenue is concession revenue, approximately 9 percent, which includes all of our food, beverage, and retail at the airport.

The single largest use of funds is debt service which accounts for 36.4 percent. Salaries and benefits are the next largest at over 16 percent. Professional services, as a result of the Ivanpah Environmental Impact Study, are now the third largest use at almost 11 percent.

As a result of the current economy, we have cut our operating budget. We went to the Board of County Commissioners' meeting, the first meeting in January, and proposed a \$30 million cut in our operating budget that will be implemented over the next six months. The proposal was accepted, and it is equivalent to a \$60 million cut on an annual basis. That cut is on an annual \$265 million operating budget. It is a significant cut, but we have seen our traffic drop significantly, so we are responding accordingly.

We have \$2.9 billion of existing outstanding debt at McCarran, from our first lien bonds to our third tier liens. We have an average monthly mortgage payment of \$15.5 million, so you can see we have a large overhead each month to pay the bills.

Passenger activity at McCarran has been down for 14 months in a row. February looks like an increase, but it is only because February had 29 days in 2008 instead of 28. When you factor in a daily average, we were actually down 1.5 percent. We saw our first decrease in November 2007, and we have seen a decrease month-to-month since then. I anticipate the January decrease will be somewhere between 14 and 15 percent, based on the preliminary numbers. That means for the last five months, we will be down an average of 14 percent for the traffic into McCarran.

The way we plan airport facilities over the long-term is based on the number of hotel rooms in southern Nevada. Our long-term regression analysis shows for every hotel room added to the community, we can expect 320 additional passengers into McCarran. That is 160 in, and 160 out. With all of the building still going on in Las Vegas, including the CityCenter project, the Fontainebleau, the Cosmopolitan, and others which are under construction, when the economy

recovers and this relationship comes back, we will anticipate needing all of the facilities we currently have under construction.

It is important to understand the difference between McCarran and other airports in the country. We are a turnkey airport. There is only one other airport in the country that operates in a similar way to McCarran and that is Tampa, Florida. We provide turnkey lease facilities for the airlines. Most airports just provide shell or empty space, and the airlines are responsible for providing all of the furniture, facilities, and equipment. We provide everything. This is included in our rent costs. If you see comparisons of the cost per passenger from McCarran, this year we anticipate the cost will be about \$6.50 per emplaned passenger. This is for every passenger getting on an airplane; that compares to the industry average in 2006 of \$9.50. In addition to what most airports provide, we provide the jet bridge, furniture, computers, podiums, and equipment, and then we clean everything the public sees, as part of the rent. The airlines get a lot more from us for their rent than they do from most airports.

Our five-year capital plan, which we are in the second year of, is \$3.7 billion. We did cut out \$350 million of capital as a result of the most recent economic situation. Some of our construction projects are completed already, and most are under construction or will be started soon.

Under the stimulus bill, we do not anticipate a lot of funds flowing to McCarran. Based on the preliminary outline of priorities, large airports will not be receiving a lot of those funds.

Some of the projects we have recently completed are the Gate C checkpoint for Southwest Airlines. It is more advantageous to go to the new checkpoint and walk to the gates. We added 12 additional lanes that will give us all the capacity we need to process passengers as long as the lanes continue to be manned. We also have a bridge connecting Gate C to Gate B, so any passenger needing to connect between airlines or the same airline, post-security, can now do that behind security instead of having to exit security and be rescreened.

The flagship project we have for our Terminal 3 project consists of six different elements totaling in excess of \$2 billion. All of them are underway. We have spent several hundred million dollars to date on this project. The early civil package, which includes all of the underground utilities and foundation work, is essentially complete. A parking garage is under construction, the roadways are under construction as is the central plant, and of course the Terminal 3 building itself. This will be a 14-gate unit terminal. In our vernacular, a unit terminal

means the terminal is self-contained. It has its own baggage claim, its own ticketing, and it processes everyone in that terminal.

We have a central terminal concept for most of our traffic, where you come to the main terminal and go to the A, B, C, or D gates. With the unit terminal concept, you will need to determine which airline operates out of which terminal. When the Terminal 3 building opens in 2012, you will park, go into the terminal, process through ticketing, or arrive and process through baggage claim at this terminal for the airlines handled from this terminal.

In addition to the 14 gates we are building as part of this facility, once it is open, most of the D gates will be processed out of this facility. There will be an underground train, in the tunnel that is already built, and will connect Terminal 3 to the D gates, and a number of carriers will be processed from the D gates into Terminal 3.

There are six international gates as part of Terminal 3, so international traffic will be moved from Terminal 2 to Terminal 3. We will expand our maximum hourly capacity from 800 an hour to 2,000 an hour in our international facilities.

What happens at McCarran once we reach the maximum capacity we have estimated at 53 million passengers annually? We have two things we can do, either expand the airport by adding more runways and facilities, or look for another airport. Given the land constraints and the fact we do not have any land to add another runway, we chose the latter, which is to build another airport. We are looking at a site called the Ivanpah Valley Airport site. It is 30 miles south of McCarran, and 6 miles north of the California border on the east side of I-15, between I-15 and the railroad tracks. We own approximately 6,000 acres that we purchased from the federal government, and we are now in the Environmental Impact Study (EIS) process to determine if we can receive permission to build an airport on this site.

The project scope for the Ivanpah Airport has an ultimate capacity of between 30 million to 35 million passengers annually. Phase one is what we are modeling in the Ivanpah EIS and that is for 18 million to 20 million passengers. The airport is intended to serve domestic and international passengers, so it will be like McCarran, just a second airport. For clarification, this is a supplemental airport, not a replacement of McCarran. We would have a two-airport system like several other communities in the United States.

The agencies managing the Ivanpah EIS process are the Federal Aviation Administration and the Bureau of Land Management, as joint lead agencies.

They are in charge of the Ivanpah EIS. They selected and direct the consultant, and we get to pay for everything.

As the airport sponsor, our responsibility is to coordinate the exchange of technical information and provide information about the Clark County's goals and objectives for the project.

Of particular note for this Committee is what we are ultimately planning for transportation at this airport as it is built out to its completion. We have a super arterial design as part of the project. We have the Las Vegas Boulevard improvements, and of course the interchange at I-15 at the airport itself. For those of you who have gone from Dulles Airport to Washington, D.C., it is a Dulles-style road, and would take you from the airport to the Sloan Interchange where there would be an upgraded interchange, as well as a bypass for those who do not want to come to the airport.

We are also planning mass transit corridors in the event there is a mass transit system developed in southern Nevada which could also connect to the airport. We are looking at all modes of transportation that could come to the airport and including them in the planning and the modeling, so the EIS work will be done for that. Once we do open the airport, get beyond the initial phase, and get some relatively good traffic, then we can address these projects to help with the transportation to and from the airport.

We are working with the federal government on this project. The EIS process is very lengthy and expensive. If everything goes as planned, we will receive a record of decision sometime in 2012. If that happens, the earliest date we would have the airport operational would be 2018.

**Assemblywoman Spiegel:**

On the link between room inventory and passenger volume, you stated 320 passengers per new hotel room. Is that per month or per year?

**Randall H. Walker:**

Per year.

**Chairman Atkinson:**

My question concerns the Ivanpah Airport. If everything goes well, it would be operational by 2018; in this current economy, is there a possibility the time frame may slow down?

**Randall H. Walker:**

Clearly. If there is a decision to build the airport, the design would start in 2013, and the design would cost a significant amount of money—hundreds of millions of dollars. Obviously, what we are doing now is proceeding through the Ivanpah EIS process to preserve the opportunity to make that decision. Assuming the economy comes back, the most likely decision would be made to go forward. If we are still having economic issues, where the growth does not come back even when the economy recovers, then we would make a different decision. We will not know until we get to that point. We do need to move forward with the Ivanpah EIS process now and get it resolved because if we stop and have to start all over again, we would have to start from square one, and it would take four to five years to get back to this point.

**Chairman Atkinson:**

McCarran is suffering like other airports, but how would you say McCarran is doing in the current economy?

**Randall H. Walker:**

We are struggling like everyone else. We are looking at everything we can do to cut back. We will see some things which will affect our levels of customer service as we cut back. You will find some restrooms are not available because we close them down in nonpeak times. You will find some paper towel holders are empty, because we are not refilling them until they are completely empty instead of when they are almost empty. We are cutting back some of our staff who help passengers through the airport at peak times.

We had a program where we hired a company to help passengers prepare to go through the checkpoints. We have all been behind the person who does not know to take their shoes off or take their cell phone out of their pocket and holds everyone up. We have now cancelled that program and will probably see some delays at peak times at the checkpoints. Those are all nonessential things we are reducing, but we are still keeping our basic functions of getting people between their surface transportation and an airplane.

**Assemblywoman Spiegel:**

How are the other airports being affected by the economy? Are volumes similarly down?

**Randall H. Walker:**

According to other colleagues, they are down anywhere from 3 percent to as much as 25 percent. It depends on the area, but most of the airports are right around an 8 percent to 10 percent reduction. Those in more of a tourist-based economy like us and Tampa, Florida, are generally seeing a bigger reduction.



**Assemblywoman Spiegel:**

Specifically, I was wondering about the Henderson Executive Airport and the airport in Overton.

**Randall H. Walker:**

Yes. The way we measure that is by looking at fuel sales. As fixed-based operators, we sell all of the fuel at those airports, and we have seen a significant reduction, particularly of Jet-A fuel at both airports. That means we are getting fewer people flying. Most of the Jet-A fuel is for the corporate-type aircraft, either the newer prop aircraft or the private jets. I just received some anecdotal information from the fixed-based operators on the west side of McCarran who handle the large corporate aircraft, and their traffic is down about 25 percent from what it was last year.

**Chairman Atkinson:**

I would like to thank you, Mr. Walker, and I would like to go on record as saying I am very proud of McCarran, and you are doing a wonderful job even with the issues. Las Vegas is one of the better-run airports I have been in.

**Chairman Atkinson:**

Are there any questions from the Committee members?

**Jacob L. Snow, General Manager, Regional Transportation Commission of Southern Nevada, Las Vegas, Nevada:**

[PowerPoint presentation ([Exhibit D](#)).] I am the General Manager of the Regional Transportation Commission of Southern Nevada. Under state law, the Regional Transportation Commission of Southern Nevada has three primary responsibilities. We are the mass transit services provider, and we are also responsible for transportation planning, funding, as well as allocation of federal, state, and local dollars spent on roadway construction in southern Nevada. Finally, we manage the valley's freeways and system of arterials in the form of traffic signals, ramp meters, and so forth.

The Regional Transportation Commission of Southern Nevada transit system is relatively young, but very robust. It is the most cost-efficient system in the country. We carried nearly 67 million customers in 2008. This is an increase of 3 million riders from 2007. With tough economic times, more and more people are relying on our service to get where they need to go. Our system covers most of the valley but was not designed with speed in mind. For the past few years we have been working on a different type of transit service focusing more on speed, with fewer stops, high frequencies, and dedicated right-of-way so we can avoid some of the congestion we get in intersections and with other automobiles.

In 2006, our Regional Transportation Commission of Southern Nevada Board faced a decision of whether to build a light-rail system or to go with a different type of mass transit service as shown on the screen. This is what we call a rapid transit vehicle, and we have named this the ACE service. Ultimately, our board elected to go with the ACE service because it is much less expensive than light-rail and instead of building one light-rail line; we would have the ability to build a system of routes with the ACE. Also, with light-rail, although it is a great system, it is a fixed system without flexibility once it is built. Since the ACE system is a rubber tire system, it has a lot of flexibility. We can do things with special events and make changes to the route network as the valley grows.

The first line of this system is scheduled to open later this year, and I would like to give you a quick overview of where it is going. On the map, as you can see, is the ACE downtown connector. It will connect the downtown outlet mall, the World Market Center, and the Clark County Government Center to downtown Fremont Street and the Fremont Street Experience. There is also a stop at the Regional Justice Center. Then it goes to the Stratosphere and over to the Las Vegas Convention Center, and from there we go into mixed traffic, down three or four stops on The Strip and back. The area of dedicated lanes for these vehicles' exclusive use is the area on the top of the map, in blue, and the green indicates mixed traffic.

For those of you who have tried to get in and out of the Clark County Government Center over the past year, this is a portion of the ACE project that has been under construction. I know we are all relieved this portion of the construction is complete. It looks nice now that it is in place. The dedicated lanes are the rose-colored pavement you see in the median of Grand Central Parkway, right in front of the Government Center and the World Market Center. Construction is now under way along Casino Center Drive in the downtown area where that street is closed at this time. We hope to have construction finished in the next four months. We hope to start this service in November of this year.

This is not your grandfather's bus stop. It is not your grandfather's bus line. It will feature stations and platforms with a number of amenities for comfort. Not only will it provide a safe refuge from traffic for our patrons, but there will be security patrols, closed-circuit television cameras, nice landscaping, emergency call buttons, an information call button, as well as a ticket vending machine to speed patrons along their way.

With light-rail, we probably have the ability to build a short, one-line system. Cost efficiencies with this type of a system allow us to build more of a network, more of a system of lines. We have lines planned that go far to the south in the

valley, along Las Vegas Boulevard south down to Henderson. There are a couple of east-west lines. The green line on the screen is Sahara. The peach-colored line is Flamingo. The purple-colored line is also going to debut at the end of the year. It will connect a park-and-ride lot at U.S. 95 and Durango. The park-and-ride lot will have its own air-conditioned terminal building and will utilize the high-occupancy-vehicle lanes built by the Nevada Department of Transportation (NDOT) on U.S. 95 to express our commuters into and out of the resort corridor. It will stop in downtown, and ultimately stop at the University of Nevada, Las Vegas (UNLV), and then work its way back. We are excited about the prospects for that service. There is also a line on Boulder Highway I will talk to you about when we talk about our federal stimulus bill.

A key part of the ACE system is a new intermodal transfer terminal that is under way. The design has just been finished, and we are about to start construction in downtown Las Vegas at Bonneville and Casino Center. This is a Leadership in Energy and Environmental Design (LEED) facility, with the LEED gold rating. We have received millions in federal funding for this terminal thanks in large part to the U.S. Senate Majority Leader, Harry Reid. U.S. Senator Reid was also instrumental in helping us acquire federal funding to build a new bus maintenance facility; we received roughly \$50 million in federal funding for this project. It is at the northwest corner of Decatur and the Beltway. This will house the double-deck Deuce vehicles as well as the ACE vehicles. We will be able to provide good maintenance for these vehicles.

The funded roadway projects that are currently under way bring us to the Bruce Woodbury Beltway, paid for almost exclusively by southern Nevadans. In 2003, the 53-mile basic footprint was completed. Now there is work under way in the northern and western parts of the Beltway to have, as a minimum, three lanes each way that do not have a stop sign or traffic signal, which will enable the unimpeded flow of traffic.

Another roadway project under way, in conjunction with NDOT, is taking Craig Road over the railroad tracks. There is a significant problem with almost 30 trains a day coming through Las Vegas, causing a big backup every time a train crosses Craig Road. We are excited to see that project moving forward. We are also doing a major project on Martin Luther King Boulevard (MLK) in going from two lanes each way to three lanes each way. That was done in conjunction with NDOT on the U.S. 95 widening. We have a new bridge overpass at Tenaya Way at Summerlin Parkway to allow for better connectivity in that part of the valley.

In Henderson is the Galleria Interchange. It is the new bridge and interchange being constructed. It is a very complicated interchange involving braided ramps

to reduce the weaving of traffic entering and exiting the freeway between Sunset, the Galleria Interchange, and the Russell Road Interchange. When it is complete it will help traffic to move better, especially along Sunset Road at the interchange with the freeway. There is a great demand in traffic going to the Sunset Station and the Galleria Mall.

There is a project in North Las Vegas connecting the southern part of North 5th Street with the northern parts of North 5th Street. They are not connected right now because I-15 is in the way, but a big bridge over I-15 will get us from Owens Avenue to Cheyenne Boulevard on North 5th Street, and will be a great connectivity-based project. The overpass at Lamb Boulevard between I-15 and the Beltway is under way as well.

We do have a number of roadway projects to build and expand the roadway network in southern Nevada. We also have great potential, once these projects are built, to improve the management and operations of the roadways to get information out to the public, to enable them to make better, informed decisions about how and where they want to drive. You have seen the dynamic message signs on I-15 between the Beltway and the Spaghetti Bowl. The travel times displayed there are quite accurate, and the surveys we have taken show the public really finds these helpful in letting people know if they need to get off the freeway or stay on it. We are expanding that on the U.S. 95 corridor in conjunction with NDOT in the next few months.

If the stimulus bill passes, we expect part of the money will go toward expanding the hardware and software we have on the freeway and the arterial system to the east-leg freeway, which we refer to as Interstate 515 or the U.S. 93-95 corridor. We can have the closed-circuit televisions, those dynamic message signs, including the travel times, and a sensor along the roadway to identify how much traffic is moving and how fast. We have a great partnership with NDOT. They put the infrastructure and software out there, and we operate it on their behalf on our freeway and arterial system of transportation. We also operate ramp meters which act as traffic controllers for the cars coming onto the freeway. If we can sequence them in the proper order, it really improves safety and improves the flow of traffic onto the freeway.

The House passed an \$819 billion stimulus bill, of which \$30 billion is to go for roadways across the country. Nevada's share under the existing formula will be about \$220 million. That will go for roadways throughout the state. Likely, most of the money will be spent in southern Nevada. There is a \$12 billion allocation for mass transit. That will result in about \$30 million for southern Nevada. The money will come directly to the Regional Transportation

Commission of Southern Nevada for expenditure and will be just for mass transit projects.

The Senate side of the bill passed today shows \$827 billion, but it was not that amount; it was \$838 billion. With \$27 billion for roadways, it is a little bit less for that category, and means about \$200 million for the whole state. To put it into perspective, each year in federal funds for roadways, we get about \$200 million. So it is like one additional year of funding to go along with the other funding the state is going to receive. There is not as much money allocated for mass transit on the U.S. Senate side, so ultimately we will have to see how the conferees decide what gets funded and what does not. We are anxious to see that happen.

We have a number of projects ready to go. We have a list where we have identified about \$1.2 billion worth of projects that we refer to as "shovel ready." That means the design is done, the right-of-way is acquired, and the environmental work is done. We are just waiting for money. Most of those projects are new construction. We do have \$112 million of rehab and repair of existing roads, and much of the allocation will go to those types of projects. I mentioned the additional instrumentation on the freeway with the dynamic message signs, our transit projects, and our downtown transportation hub. We have about \$8 million in federal funds for that, and it is probably going to be a \$17 million or \$18 million project before it is completed. We can have some monies go to that project. Regarding our Boulder Highway ACE line project, the design is done, the right-of-way is acquired, the environmental work is done, and we are just waiting for the money. We anticipate, if the bill passes, a good deal of the money will go for that project.

The project is a transit line stretching from downtown Las Vegas all the way out to Henderson. It will feature dedicated transit lanes for part of that trip, as well as improvements to the traffic signals, resulting in better communication and sequencing of green lights through the corridor.

In conclusion, I want to talk about our sales tax revenues. We have a half-cent sales tax that comes to the Regional Transportation Commission of Southern Nevada for funding our roadways. Many of our roadway projects are on our transit system. That revenue is down significantly. Revenues were down 12 percent in November, the last month for which we have full figures. December's revenues are not expected to be any better. We expect December and January to be similar.

There is a 9 cent per gallon gasoline tax that funds the Regional Transportation Commission of Southern Nevada roadway projects, but people are driving less in

this economy. The gas tax is down 8.2 percent in November. Normally the gas tax is a very stable source of revenue.

The Regional Transportation Commission of Southern Nevada recently had to implement a fare increase for our transit service in order to avoid significant cuts to the transit service. We also cut two routes that were not performing well. We do not have the ability to keep those services going in this economy.

We do have some challenges ahead of us. We have more on our plate this year than we have ever had, between managing and building on the freeways and roadways, and the mass transit services we are providing. We are excited and optimistic about the future. We look forward to working with the Legislature to solve these problems for the state.

**Chairman Atkinson:**

Thank you, Mr. Snow. Are there any questions from the Committee members?

**Assemblyman Manendo:**

Can you go over the Boulder Highway project for me? My understanding is you want to go down the middle. Is that correct?

**Jacob L. Snow:**

We want to go down the middle in the areas where we can. We can go in the middle from Henderson to Harmon Avenue. We could go in the middle north of Harmon Avenue but for the storm drain in the median. It would be very expensive to put a box culvert in and go on top of the box culvert. Therefore, everything north of Harmon Avenue is probably going to be side-running, like the Metropolitan Area Express (MAX) system in North Las Vegas.

**Assemblyman Manendo:**

So from Henderson to Harmon Avenue would be down the middle, correct?

**Jacob L. Snow:**

That is the ultimate plan for that facility. How much stimulus money we get will determine whether we can finish it all down the middle in this phase or if we have to have portions that will still be in mixed traffic. We are hopeful we will get enough money to do it all in the middle because it would be much safer and esthetically pleasing.

**Assemblyman Manendo:**

Because we have worked for years on beautification and landscaping, can we stop at Tropicana Avenue? We also have a Welcome to Las Vegas sign there, and I do not know where we are going to put the sign now. We have worked

for years trying to get that beautified. I am just trying to understand, if you are running it down the middle and you are going to have the lights going green, traffic will still go into Tropicana Avenue, Harmon Avenue, and Flamingo Road. Would the traffic going east-west then stop?

**Jacob L. Snow:**

When light-rail systems get out into the less densely developed parts of the communities they serve, they have what is called traffic signal preemption where the gates come down, all the cars stop, and the train goes through. We are not going to have that type of system on Boulder Highway; we are having traffic signal priority. This means the traffic at Tropicana Avenue and Flamingo Road and the other areas will not be disrupted. The ACE vehicles will get a green light if they are behind schedule and if they are in sequence with how the rest of the traffic is operating at that intersection. If I have led you to believe it is going to get nothing but green lights, that is not true. It will have to operate in concert with the rest of the traffic flow in the corridor.

The real change is on Boulder Highway, we do not have a fiber-optic cable network for those traffic signals to be in communication with each other or to have their clocks synchronized. The fiber-optic line will do a number of things for us. First of all, the communication between the traffic signals will take place so we will get better green coordination for cars and for rapid transit. We will also be able to provide free wireless service for people who are taking transit. You will be able to take your laptop onboard. Your personal digital assistant (PDA) will be able to receive and operate in high bandwidth. That is another amenity to make this service very attractive to people.

We have plans for the Welcome to Las Vegas sign. It is already included and taken care of, and it is not going to be a problem.

**Assemblyman Manendo:**

Where is it going to go?

**Jacob L. Snow:**

I do not have the plans with me, but it will be relocated slightly adjacent to where it is right now. The other good thing is, we will not be disrupting the landscaping that is there; we will be adding to the landscaping in that corridor. This is something that will make the corridor much nicer. We are not going to detract from it in any way.

**Assemblyman Manendo:**

How are you going to do that? It is already there.

**Jacob L. Snow:**

We will be adding additional landscaping as part of this project.

**Assemblyman Manendo:**

Interesting. When you get to Tropicana Avenue and stop, how will you access back onto Boulder Highway? Will you get in the middle of the intersection, and then make a right, then left if you are going north?

**Jacob L. Snow:**

Like all light-rail systems, when they come into downtowns or the built-up parts of their communities, there is a separate traffic signal phase for the train. There is a separate signal phase for the ACE vehicle allowing it to get out of the middle and into transition for the dedicated lanes on the side.

**Assemblyman Manendo:**

Thank you, Mr. Snow.

**Assemblywoman Spiegel:**

How is the ACE system matching up with other bus systems? Will people be able to transfer from the ACE system to another bus?

**Jacob L. Snow:**

We have designed the ACE system so that it will overlay or be directly adjacent to the rest of the Regional Transportation Commission of Southern Nevada bus system, including the Deuce system. It will be a seamless transfer. If you buy a day pass or have a monthly pass, you just go on and off, no questions asked.

**Chairman Atkinson:**

Are there any questions from the Committee members? Then I have a few. This is always near and dear to me. Mass transit in this state has to get better. I know you are making strides in that area, but when visiting other places such as Washington, D.C., and Atlanta, and seeing what they have in place, I can get everywhere on their Metro system. Obviously the District of Columbia is top-notch. I am wondering if you see anything like that in our future. I know it entails money, but our Governor talks a lot about toll roads and other things. Do you know if anything like that exists for a state-of-the-art mass transit system?

**Jacob L. Snow:**

Yes, Mr. Chairman, I do. We have big plans at the Regional Transportation Commission of Southern Nevada, and one of the differences you see between our cities in southern Nevada and the cities in other areas of the country is they have gone to their electorate and said they want to build a state-of-the-art mass



transit system and it is going to be expensive. They have key business people in those communities who step up and support and fund an initiative to get that passed. Let me point to our neighbor to the south, Phoenix, Arizona. They just opened a 14-mile light-rail system. It cost them \$1.5 billion to build. This is more than \$100 million per mile. Salt Lake City, Denver, Portland, Dallas, and St. Louis are places where they have light-rail; they have done it in the same fashion. We have tried to do it in this community, but we have not been able to enjoy that kind of support to this point for that type of system. For the second part of your question, there is a light-rail line in New Jersey, called the Hudson-Bergen line that had elements of a public-private partnership in the construction and delivery of the system.

The airport extension of the light-rail line in Portland, Oregon, was built through a public-private partnership. They obtained development rights around the stations for that extension to the airport.

We have been approached by a number of companies aware of our plans to put a rapid transit line down the middle of The Strip. It would have been profitable, and they knew it. Our Deuce line which goes down the middle of The Strip, just a bus line, generates a \$4 million revenue surplus a year. We use those dollars to fund the rest of our system throughout southern Nevada so we do not have to go back for a tax increase. Those companies know profit potential is there, and they would love to be able to make the investment and operate the system on our behalf. But the surrounding gaming community and much of the rest of the community do not support that type of an initiative at this time.

**Chairman Atkinson:**

We do not want to do it backward like Southern California did. They wanted mass transit but realized they didn't have the infrastructure. Now they are coming up with unique ways to address it, but I don't think they will ever get there. I don't want us, 15 or 20 years from now, saying we should have addressed this and done this, because it is something we are going to need in this state. You are doing a wonderful job of addressing it now and moving in that direction, and I know money is the big issue. In talking to the Speaker of The Assembly recently, I said Transportation is difficult because you cannot do anything in this Committee without money. The same goes for you, and I understand, but I would like to work with you, and try to figure out what we can do to get more community, more business, and other people involved so we can do these things.

I am not concerned with landscaping; I would like to tear the entire Las Vegas Strip (also known as The Strip) up and run something like light-rail right down the middle of it. No one wants to talk about the monorail, but had it been run

down The Strip, it would have been better. We have to get there, and I am willing to look at some of the language from other states and start having some dialogue with the hotels and other people that may be affected and want to participate, and see what we can come up with. It will have to be addressed.

I am always concerned with what the Regional Transportation Commission of Southern Nevada is doing now, and also what we could be doing, and if we are doing it. Do you believe what you are doing is having the same effect it is having in other states by getting people out of their cars? I am not sure what we are doing is accomplishing that. In Washington, D.C., people do not even think about driving their cars during the week. I am not sure if we have such a system now, or if we are thinking about having some kind of system to get people out of their cars to help ease congestion. Do you have any information proving that it is doing that?

**Jacob L. Snow:**

What we could point to is our MAX system in North Las Vegas. Twenty-four percent of the riders of that system, about 2.5 million a year, are people who used to drive, walk, or ride a bike in that corridor. We have that to specifically point to. It has been very successful considering the investment of \$19 million for a 7.5 mile system.

Certainly what Washington, D.C., and Atlanta have, compared to Las Vegas, is no comparison. Those are two cities designed before the automobile was so predominant. However, our urban form here is laid out around the automobile. This is something we have to deal with; it is a challenge. Also, those other cities charge extensive amounts for parking. Having an automobile, especially in Washington, D.C., is more of a liability than a convenience. In southern Nevada, having an automobile is more of a convenience; parking is free, other than at the airport and a couple of places downtown.

I am gratified to come to a committee hearing today and speak about something other than sound walls. It has been very refreshing. We have those sound wall projects going with NDOT. You have a willing partner with the Regional Transportation Commission of Southern Nevada in taking on some of these challenges. We look forward to working with you.

**Chairman Atkinson:**

Are there any other questions from Committee members? [There were none.] We will move to the next presentation from the Regional Transportation Commission of Washoe County. Mr. Morse.

**Derek W. Morse, Interim Executive Director, Regional Transportation Commission of Washoe County, Reno, Nevada:**

With me this afternoon is Angela White, the Regional Transportation Commission Regional Transportation Commission of Washoe County's Director of Marketing and Communications. The information I would like to go over is in your folder ([Exhibit E](#)). [Read from prepared fact sheet.]

**Chairman Atkinson:**

I asked a similar question of Mr. Snow. Are you as concerned with mass transit and are you concerned about it for the future? Is it being addressed?

**Derek W. Morse:**

If you look at our long-range transportation plans, you will see there is a major transit component. Our citizens want more mass transit and choice in their lifestyle, not just in suburban areas, but also urban areas that are more transit-oriented. This is also more in line with the economic development plans of the cities of Reno and Sparks. One of our specific objectives is to increase the current modal share, that is, the percentage of all trips made on transit, which is only about 2 percent in our community today. This is typical of most western communities. We want to triple that to 6 percent. As the population grows, that actually means we are going to increase our ridership between 500 percent and 600 percent over the next 30 years. This is a goal the community has set for us. There are some who say they do not think we will be able to do that, and others who say we want you to do even more. I think it is a good place to start. They have set a high goal.

We also are looking, when the timing is right and the resources are available, to institute a rapid transit system in our Virginia Street corridor. Today, on that corridor, we have buses running every ten minutes, and during the peak hours it is standing-room-only or you will be passed by. We have high ridership in many of our corridors. We want to increase that, and to do it effectively, we have to change two things. One is what we call the urban form. If you have a lot of low-density residential areas, it is hard to run effective, efficient, mass transit. We see there is a desire to have mass transit; there are many people in downtown Reno building condominiums to give us the density to support transit.

Even more important are public and societal attitudes about transit, and the way people feel about their lifestyle choices in terms of housing, et cetera. That is evolving. Ten years ago, you found very few people who were interested in living in apartments; it was only a temporary thing until they could find a house in the suburbs. A lot of people are now moving back into the downtown core

areas. It is an evolution and is going to be critical to achieving a higher use of transit in the community, and we are moving in that direction.

**Chairman Atkinson:**

Are there any other questions from the Committee members?

**Assemblywoman Spiegel:**

I have been receiving email from people suggesting they want reexamination of the ballot question number 5, which was related to Regional Transportation Commission Regional Transportation Commission of Washoe County. I am guessing it has been somewhat controversial, and I was wondering if you could speak about that.

**Derek W. Morse:**

I will say simply this. The question was passed by a substantial majority of the voters, 55 percent. A complete explanation of the question was sent, as required by law, to every single registered voter in Washoe County. When folks suggest people did not know what they were voting for, I would ask, "Does that mean the people who voted no also did not know what they were voting for?" It is a slippery slope when other individuals say, "I did not know what I was voting for," or "You did not know what you were voting for." It calls into legitimacy virtually every elected official, and every ballot question that has ever been passed in this state. That is a very slippery slope. The voters have spoken, they have said what they wanted, and I think it is unfair for any other parties to say they did not know what they were thinking or what they were saying. It is a philosophical view, but clearly the statistics are there; they did vote for it.

**Chairman Atkinson:**

I am glad you brought that up, as it is something we are definitely going to have to address. It will come up as a bill later. I appreciate your answer because it is the way I feel about that. I do not think we are in a position to question what voters intended to vote for or not vote for.

Are there any other questions from the Committee? [There were none.]

Our last presentation is from Las Vegas from the Taxicab Authority.

**Gordon Walker, Administrator, Taxicab Authority, Department of Business and Industry, Las Vegas, Nevada:**

[Read from prepared testimony ([Exhibit F](#)).]

**Chairman Atkinson:**

Are there any questions? [There were none.]

I would like to recognize a former Assemblyman sitting in the audience, Mr. David Goldwater. We appreciate your coming.

Is there any other business to come before the Committee this afternoon? Is there anyone in Carson City wishing to speak to us this afternoon? No. Is there anyone in Las Vegas? No. Seeing no other business, we are adjourned [at 3:06 p.m.].

RESPECTFULLY SUBMITTED:

---

Sharon McCallen  
Committee Secretary

APPROVED BY:

---

Assemblyman Kelvin Atkinson, Chairman

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

**EXHIBITS**

**Committee Name:** Committee on Transportation

**Date:** February 10, 2009

**Time of Meeting:** 1:30 p.m.

<b>Bill</b>	<b>Exhibit</b>	<b>Witness / Agency</b>	<b>Description</b>
	A		Agenda
	B		Attendance roster
	C	Randall H. Walker, Director of Aviation, Clark County Department of Aviation	Presented data regarding McCarran International Airport
	D	Jacob L. Snow, General Manager, Regional Transportation Commission of Southern Nevada	PowerPoint presentation regarding RTC projects
	E	Derek W. Morse, Interim Executive Director, Regional Transportation Commission of Washoe County	Spoke from prepared text regarding long range mass transit plans
	F	Gordon Walker, Administrator, Taxicab Authority, Department of Business and Industry	Spoke from prepared text regarding the responsibilities of the Taxicab Authority