

**MINUTES OF THE  
SENATE COMMITTEE ON ENERGY, INFRASTRUCTURE AND  
TRANSPORTATION**

**Seventy-fifth Session  
March 5, 2009**

The Senate Committee on Energy, Infrastructure and Transportation was called to order by Chair Michael A. Schneider at 8:11 a.m. on Thursday, March 5, 2009, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to the Grant Sawyer State Office Building, Room 4412E, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

**COMMITTEE MEMBERS PRESENT:**

Senator Michael A. Schneider, Chair  
Senator Maggie Carlton, Vice Chair  
Senator John J. Lee  
Senator Shirley A. Breeden  
Senator Randolph Townsend  
Senator Barbara K. Cegavske  
Senator Dennis Nolan

**STAFF MEMBERS PRESENT:**

Matt Nichols, Committee Counsel  
Scott Young, Committee Policy Analyst  
Josh Martinmaas, Committee Secretary

**OTHERS PRESENT:**

Mick Crandall, Deputy Chief for Planning, Utah Transit Authority  
Ralph Jackson, Deputy Chief of Major Program Development, Utah Transit Authority  
Michael Allegra, Assistant General Manager and Chief Capital Development Officer, Utah Transit Authority  
Jacob Snow, General Manager, Regional Transportation Commission of Southern Nevada  
Danny Thompson, Nevada State AFL-CIO  
Michael Mathis, General Counsel, Echelon Resorts, Boyd Gaming

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Chris White, Director, Resort Development Group, Harrah's Entertainment  
Josh Griffin, MGM Mirage  
Greg Ferraro, Nevada Resort Association  
Craig Galati  
Karen Storms, City Clerk, City of North Las Vegas  
Chris Ferrari, North Las Vegas Chamber of Commerce  
Kyle Davis, Policy Director, Nevada Conservation League  
Sabra Smith-Newby, Clark County  
David Bowers, Assistant City Engineer, City of Las Vegas  
Joe Guild, Union Pacific Railroad  
Randell S. Hynes, United Taxicab Drivers

CHAIR SCHNEIDER:

We have a presentation today on proposed light-rail transit for Las Vegas. Our public transportation system lags behind the nation and other major Western cities. Phoenix, Arizona, is the latest major city in the Southwest to open a light-rail system. San Diego, Los Angeles, San Francisco, Denver and Salt Lake City have all developed fantastic rail systems. People from the Utah Transit Authority (UTA) are with us today. Their light-rail system has been well received and successful.

MICK CRANDALL (Deputy Chief for Planning, Utah Transit Authority):

We started working on light-rail transit 15 years before it was built. It does not need to take 15 years in all cases, but it had a long development time in Utah. Part of the process was bringing on local elected officials. The transit funding in Utah was authorized by the Utah State Legislature and required a public vote to impose sales taxes and increase those taxes. The support of local elected officials, when a vote comes up, is critical to getting your citizens on board. Since I came to Utah 35 years ago, we have always had a good set of elected officials pushing and leading this agenda along. It is important to bring local officials along at the same time you do project development. From a transportation planner standpoint, we had a good environment to work with. We have good cooperation between the highway agency and the transit agency. The studies and planning processes gave us an advantage.

The immediate challenge is always to get the first line in place. All the cities in the West that have put a line in place have been successful in adding to it. We were all convinced light rail was the mode of choice, but then went back and looked at monorail and two or three other things. We had a year and a half of

debate as to whether we had the right mode of transit. We could have cut that time by a third if we had been more thorough with the modes that from a technical standpoint were not really in consideration. We did not do a good job explaining and documenting why not.

Salt Lake City has an advantage you do not have; it is a long, linear urban area. It is about six times as long as it is wide, so it is not hard to figure out where your first corridor should go. We spent a fair amount of time in a cooperative study to find out whether it was going to be a rail system, a bus system in conjunction with the freeway expansion or buses on city streets. Rapid growth and the ability to serve intermediate destinations tipped the scales to a rail transit system. Then, we spent several years getting it funded. You will struggle to get federal funds, but the most difficult thing is getting local funds to match federal grants. It is also important to get a stable source of local funding to operate the system. We were under construction by the middle of the 1990s with a little push from the Olympic designation. The situation here changed dramatically the day the system opened. It was very popular and all the local officials who had supported the first line were anxious to expand the system. The step from opening that first line to getting funding for the next round of improvements was much shorter.

RALPH JACKSON (Deputy Chief of Major Program Development, Utah Transit Authority):

The UTA has always tried to be innovative in procuring contractors for various projects. It has been important to work closely with the local agencies and communities. We have done unique things by entering into interlocal agreements with the communities along the corridor. We negotiated one single interlocal agreement for all the communities adjacent to the right-of-way purchased from Union Pacific. In 2000, we purchased 185 miles of right-of-way for several of our projects. The interlocal agreement allows us to implement the system without going back to agencies for building permits and other things for our stations. We also had interlocal agreements with the Utah Department of Transportation. They had the right-of-way we needed and we had some they needed. We worked with them on joint projects for interchanges, overpasses and other things as we implemented the system. As we work in each community, an interlocal agreement helps the community understand what their involvement is and what we are going to do. In many cases, they want betterments beyond what we want for the transit system. The interlocal agreement provides the opportunity for the community to invest in those

betterments. This puts elements into the project not normally part of our transit projects.

I will now talk about our contracting approach. The original north-south line was built under a design-bid-build approach. We went through final design, put it out to bid, selected a contractor and then constructed the project. When we went to the second line, the University Line, we went to a design-build approach which worked well. This approach was one reason the project was completed on schedule and under budget. The next project we implemented was FrontRunner North. It is a commuter-rail project, rather than a light-rail project, which goes 44 miles north to Pleasant View. This line opened in April last year and used construction-manager-general contractor (CMGC). This is where we hire a designer to do the work and then we contract with the CMGC. This gives flexibility in how we implement. One approach is establishing the budget at the beginning of the project, and that number simply does not change. We work with the CMGC to negotiate adjustments in the scope of work. As elements come up, we stay on schedule and stay within budget. We now have three different contract approaches to implement five lines. One of those contracts is FrontRunner going south, which is also a CMGC-type contract. We also have 2 lines that are 80-percent federally funded. We are using the design-build approach because the federal government is more comfortable with it than CMGC. The last two lines, West Valley and Airport, are being done under a CMGC contract.

In addition to using progressively more advanced construction contracting methods, going from design-bid-build to design-build to CMGC, we have been aggressive in partnering with designers and contractors. They collocate with us and are in our offices on a daily basis. As we move forward, the designer and contractor are working with us to keep the schedule and maintain the budget. We have developed an incentive strategy where we put some of our money at risk and they put some of their money at risk. This motivates them to stay within budget and schedule, maintain quality and maintain a good working relationship with the local communities. The incentive programs are built into the contract, so as they go forward with construction they are evaluated on a regular basis. If they get a high score, they get part of the incentive payment for the work they have done. We also did this with Union Pacific and it worked well. They did some critical work for us, under an incentive agreement, where they received additional compensation if they finished early. It was a high

motivator for them and we got the work done. The incentive program has worked really well for us.

The contractors know us as an agency that works with them to solve problems as they arise. It is not an "us versus you" situation. All of us working together make the project successful. As a result, we are known throughout the country and by the Federal Transit Administration (FTA) as an agency that has completed all of its projects ahead of schedule and under budget. This helps us pursue additional funding for future projects with the FTA. They know when we make a commitment to a project, it will be delivered on schedule and under budget.

MICHAEL ALLEGRA (Assistant General Manager and Chief Capital Development Officer, Utah Transit Authority):

It took close to 20 years to start our first light-rail line. Since that time, in a little over a decade, we will have gone from 0 miles of rail transit to over 150 miles of rail; one of the most extensive transit development programs in the country. We utilize a potpourri of transportation modes. We have light-rail, commuter rail and we are looking into streetcars. We have also just opened up our first bus rapid-transit line. A wonderful coalition and partnership with our community has made this possible. The business community has also been favorable towards transit development in our community. We are appreciative of those partnerships because it has led us to a successful system.

Ultimately, it comes down to funding and the public's vote by referendum. We had two successful referendums. The first was in 2000 and supported the development of the program. A few years later the public decided the program was not fast enough. They wanted to expedite the program so they voted for a tax again. The community trusts that we can build these projects on budget, ahead of schedule and get the ridership we promise. This, in turn, has engendered a keen interest in building more systems. Local elected officials, metropolitan planning organizations (MPO) and technical analysis decides whether they should be rail, bus rapid transit or something else; those are technical decisions made at the local policy level.

The transportation system in Utah is a balanced system. There is an equally aggressive program for highway and road development and we are supportive of it. We operate close to 1,000 buses in our system. It is a multi-modal approach, highly coordinated with our Department of Transportation and our

regional MPOs. This relationship between agencies has led us to the point we are at now. We have an aggressive program under construction right now that is 70 miles of rail transit in 7 years, and we have an equally aggressive "plan" program for the next 15 years after that.

CHAIR SCHNEIDER:  
What is your average daily ridership?

MR. CRANDALL:  
We have about 120,000 boardings a day on the system as a whole. That includes the light-rail, FrontRunner commuter rail system and buses. The light-rail is around 45,000 boardings a day.

CHAIR SCHNEIDER:  
What percentage of people chooses to ride the train instead of needing to ride it?

MR. ALLEGRA:  
When UTA first started, it was designed primarily as a social service agency for those who were transportation disadvantaged. We now have a system for those who choose to use it. We call these people "choice riders." Our statistics show somewhere between 80 to 85 percent of the people riding transit have a choice such as a car, but choose to ride transit; whether it is for economic, travel time-saving or environmental reasons. We are competing with the automobile. Our quality of service is vital to our success.

SENATOR BREEDEN:  
What is the fee charged to ride?

MR. ALLEGRA:  
The fares average what they are across the country. There is a variable fee structure, but in general, it is about \$2 to \$2.25 per ride per trip. There are different fees for the type of service, quality of service and distance traveled. We are implementing an electronic fare collection system which will allow us to vary the rates even more.

SENATOR NOLAN:  
What was your initial ridership? How close was your initial ridership to your projections? How close is your ridership today compared to your projections?

MR. ALLEGRA:

We have greatly exceeded our ridership expectations. On opening day, we were at double what we anticipated. Right now, we are at triple what we expected. We have greatly exceeded our ridership expectations in every mode we have implemented. There is a nationalized program to calibrate ridership and do the calculations. It would be the same one you would use to apply for federal funds.

SENATOR NOLAN:

Does that allow you to expand the system faster than planned? Are additional lines to the systems being planned?

MR. ALLEGRA:

The dilemma with the inaccurate projection was the cars were quickly overloaded. We borrowed and, in some cases, bought used cars from California that we quickly implemented into the system to provide additional capacity. The ridership growth is one key factor the public looks at and says, "Yes, it is time to keep investing in public transportation." The most recent survey by the business community showed 80 percent supported increased funding of public transportation in Utah.

SENATOR NOLAN:

The planning and funding for your system was being generated during an economic upswing. Do you attribute the success of the ridership to the recent economic downturn?

MR. CRANDALL:

Our ridership has decreased a little during the economic downturn. Fewer people are going to work. We carried less people this month than we did in October. The system has grown through two economic cycles; it increases faster when the economy is doing well.

SENATOR SCHNEIDER:

How solvent is your system?

MR. JACKSON:

The system is very solvent. The FTA reviews the ability of the transit agency to not only build the system, but to operate it and the rest of the system, including buses, after completion. It was helpful. There have been stresses when fuel prices were very high last year. There are problems now with sales tax receipts

being down, but the UTA has been able to make adjustments in its budget. The ability to continue operating the system is sound and will continue to be so.

SENATOR SCHNEIDER:

How much University of Utah student ridership do you get on the system?

MR. CRANDALL:

The University of Utah has been a success for UTA even before the rail system. They had a progressive policy to reduce automobile travel to their campus. This allowed them to expand their campus in ways not possible otherwise. They have built buildings in parking lots. We are carrying approximately 30 percent of the students and probably 15 percent of the faculty and staff to the University. Ridership has continued to grow; it is probably up 10 percent this year after 15 years of service.

SENATOR SCHNEIDER:

The last 10 years you have added about 15 miles of rail per year. Is it correct that last year you connected Ogden to Salt Lake City, and have projections to go to Provo?

MR. ALLEGRA:

Correct. Our build-out system, under construction right now, is at \$2.5 billion in capital investment. It includes an additional 45 miles of commuter rail, 25 miles of light-rail, and a couple dozen miles of bus rapid-transit. This will link the entire Wasatch Front where 85 to 90 percent of the population lives. We have acquired all the railroad rights-of-way in cooperation with Union Pacific. This has given us an edge on the construction of those lines. At the end of 2015, we expect about 70 percent of the Wasatch Front population to be within 3 miles of a major transit station. Our goal by 2030 is to have 90 percent of the Wasatch Front population within a mile of a major transit station. That transit investment can be commuter rail, light-rail, streetcar or bus rapid transit, we are not mode-specific; we pick the mode that fits the job the best. We can provide a substantial impact on mobility and congestion. Congestion was the number one issue the business community vested heavily in during the last transit referendum.

SENATOR SCHNEIDER:

Are the people in Ogden and Provo responsible for the bond issues that pay for this? Does it go to a ballot question for them?



MR. ALLEGRA:

Yes, every county we operate in has voted for their own referendum. It is authorized by the Utah State Legislature and the county commissioners authorize it to be on the ballot. Generally speaking, they are at somewhere between a 0.5 cent sales tax and 0.75 cent sales tax in the 6 different counties we operate in. Utah County is at a 0.5 cent, Salt Lake County is at 0.75 cent, and Davis and Weaver Counties operate at a 0.5 cent sales tax. Each county has come in at a different rate at a different time. Our responsibility is to provide them equitable service.

SENATOR NOLAN:

I understand the Regional Transportation Commission of Southern Nevada (RTC) has looked at your system. What is the greatest challenge you faced implementing the system and throughout operation? I know funding is always a problem; but mechanically, operationally and human resource-wise, what are your greatest challenges?

MR. ALLEGRA:

The spirit of cooperation in the community in the planning process and getting people to come to consensus on what is important for your region is a challenge. It comes down to the communities' goals, and once you establish those goals, how a transportation system can fit into it. Whether it is highways or transit, picking the mode is probably the easiest part of that challenge. The partnerships formed in the planning process make the job of implementation and construction easier. Our hallmark has been a history of planning and the community coming together with an agreement. The relationships we have with the Utah Department of Transportation, MPOs, the Utah State Legislature, business communities, community councils and city councils are the key to success.

CHAIR SCHNEIDER:

I will disclose I own property within two or three blocks of a proposed light-rail system. I have owned the property for three sessions now and I own other property in Las Vegas. The property in question is already zoned and I have planning commission approval to build a senior apartment complex. There is no rail stopping at the front door of my potential project.

We will open the hearing on Senate Bill (S.B.) 115.

**SENATE BILL 115**: Requires certain governmental entities to work cooperatively to establish the Henderson to North Las Vegas Fixed Guideway Corridor. (BDR S-280)

The urban landscape of the greater Las Vegas Valley has evolved in ways that we could never have imagined. For those of us who have lived there for decades, Green Valley, Aliante and Seven Hills did not exist. There were only a few casinos on the Las Vegas Strip and there was no landscaping on the Strip. Our tourist population was in the hundreds of thousands instead of millions. The communities and City of Las Vegas have grown in every direction. We cannot keep up with the roads and they have become congested.

We have an opportunity to put Nevada on a new path. Investing in a light-rail system is a bold, expensive move, but now is the time. We have to step back and see where we want to go in southern Nevada. We have to show some courage. First, a light-rail system will create new, green jobs. This initiative of light-rail will put people back to work, reduce traffic and improve the quality of life for all Nevadans. With the reduced traffic we will see reduced greenhouse emissions which will leave our State better for our children. We have the opportunity to make it easier for Nevadans to commute through their daily lives and create a cleaner Nevada. Investing in a light-rail system benefits the entire community; riders and non-riders, and in the long run saves the State infrastructure costs. This is the time to do something different; not the same old thing. Through this vision, we can reduce the costs to Nevada with a light-rail system. We cannot fund our roads right now. Building more lanes is no long-term solution; it just creates more congestion. We have to take the first step in this. We will be criticized, not only for my potential conflict, but for spending money. Every other city in the West that has experienced our tremendous growth has taken action. Yes, it takes money up front, but in the long run it saves all of us money and time from sitting in congested streets.

JACOB SNOW (General Manager, Regional Transportation Commission of Southern Nevada):

By comparison, Mr. Allegra said system-wide ridership on a daily basis is about 120,000 people with two light-rail lines, a commuter rail line and with 1,000 buses in support of the system. On a daily basis in Las Vegas, we have about 180,000 riders on a bus-only system with 360 buses. Part of this is our different structural and fundamental roles in jobs, the predominately service-sector jobs in southern Nevada, but we have a tremendously successful

transit system in Las Vegas. We are the most cost-effective transit system in the country.

First, I will give an overview of the efforts that led to the construction of our "ACE" rapid-transit system. We decided as a community years ago that we needed to deal with mobility challenges in a different way. We could not build roads fast enough, and our transit system was experiencing hefty ridership increases every year. In 2004, we were asked to convene a stakeholder advisory committee to consider what type of transit system would better meet the needs of the community. The committee spent two years studying the issue and weighed various technologies for quickly moving people. The options studied included light-rail and a new technology called bus rapid transit. We studied these two options as we carried forward.

We concluded there are a number of advantages to both. For the light-rail system, with a dedicated right-of-way, you can avoid a lot of surface congestion and, because of the nature of the electrical powered system, you have good reliability. The image also resonates well with North Americans; they like trains and have a positive association with the service. The disadvantages for light-rail were high capital costs, a long and difficult construction period and it is a fixed system; once built, it is difficult to change routes if needed.

In my presentation you can see one of the 50 bus rapid-transit vehicles we call our "ACE" vehicles ([Exhibit C](#)). This system has its advantages. It is less expensive to build, and since it is a rubber-tired system, you have tremendous flexibility with the route. You can start in a neighborhood, go through a residential area, then to a dedicated right-of-way corridor into a central business district and provide a one-seat ride for transit patrons rather than forcing a transfer which hurts ridership. These vehicles have a higher maximum speed than a light-rail vehicle. Light-rail typically has a top speed of about 60 miles per hour (mph). These hybrid-electric vehicles have a top speed of 70 mph and it is quicker to construct these types of systems. The main disadvantage of this system is people still perceive it as just a bus, which has a negative connotation. The image of the bus as a toaster on wheels is changing with what we have done in North Las Vegas and with the continued expansion of the "ACE" system. The handout, [Exhibit C](#), shows two similar vehicles, both used for rapid transit. The vehicle on the left is the Houston Metro light-rail vehicle, the vehicle on the right is our "MAX" vehicle which provides service in

North Las Vegas. It has been successful and carries about 2.5 million people per year. It is similar to the "ACE" rapid-transit vehicles we will use.

Further in the handout, [Exhibit C](#), is the corridor we studied in 2004. It generally corresponds to the corridor mentioned in S.B. 115. It goes from the Nevada State College in Henderson to the right-of-way along the Henderson branch of the Union Pacific railroad, then up through the resort corridor along Las Vegas Boulevard, to downtown Las Vegas, out to North Las Vegas and then to the future University of Nevada, Las Vegas campus. The corridor stretches over 33 miles throughout the Valley.

The investigative work involved a lot of questions from the committee and community. We looked at recent transit projects built around the West. There have been discussions of building a heavy rail subway through the resort corridor. The committee looked at the construction of the Los Angeles Red Line project when it was constructed in 2000. It was 17.4 miles with a cost of \$5.6 billion. When you adjusted that to 2005 prices, the cost was equivalent to \$7.2 billion, or more than \$400 million per mile. If a heavy rail subway was constructed through the resort corridor, it would cost around \$500 million per mile; especially now due to utility conflicts and fire/life/safety issues required in tunnels, such as large fans to evacuate smoke. It is a very expensive undertaking.

When we looked at costs for constructing bus rapid-transit lines versus light-rail transit lines, we used a number of sources. One was from the U.S. Government Accountability Office (GAO), which indicated the average cost in 2005 for a bus rapid-transit system was \$800,000 on the low end, and up to \$16.4 million on the high end. We built the MAX line in North Las Vegas for \$19 million total and that is a 7-mile system. It was built at an inexpensive cost with minimal investment. We did it more as a demonstration project and it has proven successful. Light-rail transit, according to the GAO in 2005, started at \$15.1 million per mile at the low end, to a high end of \$144.7 million per mile. When light-rail gets into the city streets, putting train tracks in the streets and embedding them in concrete has a much higher cost. If it is on a spur of a regular freight rail line where there is railroad bed infrastructure already in place, it is much less.

The Phoenix METRO recently opened and is very successful. In December 2008, their 20-mile light-rail line system cost \$1.4 billion. That is about \$70 million per

mile. They utilized a 0.5 cent sales tax to help construct and operate the system, but the cities of Phoenix, Tempe and Mesa also pay a considerable amount of money as ongoing support to subsidize the system. When we studied this for over two years, we had outreach to the community, multiple stakeholder committee meetings and public hearings. We had significant opposition from neighborhoods, particularly in unincorporated Clark County, south of McCarran International Airport, and in the City of Henderson. The public meetings in the City of Las Vegas and the City of North Las Vegas had no notable opposition. We even had a petition drive by different folks. Some members of the community embraced the idea of light-rail rapid transit. In April 2006, the committee made a recommendation to build diesel-powered light-rail. They visited a diesel-powered light-rail system in New Jersey. The committee was impressed that there was no requirement for an overhead catenary electrical system. There were concerns from the residential communities the line would pass through about the visual blight of poles and wires, so they recommended going with a diesel light-rail system.

The economy was in good shape back then, but the RTC board acknowledged there was a limit to how much money was available. The rail system the committee recommended was an attractive option, but it was not flexible. It was decided the community should not be locked into a system that was not flexible. From a cost standpoint, a unanimous vote recommended we proceed with a bus rapid-transit system. The system would feature vehicles that looked like a high-end rail car on the inside and the outside, and operated like a light-rail system on the inside and outside. There is no fare box; there are stations and platforms. There are a number of doors and they are articulated vehicles. The only difference is they operate on rubber tires rather than train tracks.

Our board directed us to avoid and defer areas in the community where there was a significant amount of opposition, which was along the Henderson branch of the Union Pacific freight railroad, the unincorporated portion of the county south of the airport and going into the City of Henderson. We were directed to start with the resort corridor, including downtown Las Vegas. These areas have the greatest ridership potential. With nearly 40 million tourists visiting the resort corridor every year, there is built-in ridership and built-in transit-orientated development.

Further in the handout, [Exhibit C](#), is a map showing the 2010 Las Vegas demographic densities. This shows why the downtown areas along the Strip

and resort corridor are good places to start. The blue shaded areas represent the residential densities in the Las Vegas Valley. The higher they go up, and the deeper blue the color gets, the higher the density of residential development. Contrasting that is the orange, red and brown colors that show where the employment is concentrated. The spikes going off the screen, where it goes from orange to red and then brown, are the jobs on the Strip and in downtown Las Vegas. Without a connection to the resort corridor, it does not make sense to invest in a system like this. Starting where densities are already high, and eventually adding transit from where people work to where they live, provides the greatest benefit. A number of gaming people were on our advisory committee and they have consistently supported mass transit to get employees to and from their jobs.

Most companies object to utilizing the right-of-way and median of the Las Vegas Strip for such a system. The message from the gaming community has been consistent through the decades now because of a previous look at light-rail done in the 1990s by the RTC. We were asked to move forward with a rapid-transit system that did not function like a bus. The system was to be fast and mimic the attractive features of a light-rail system. This included dedicated transit lanes to avoid surface congestion where possible and level platform boarding. My handout, [Exhibit C](#), contains a rendering of a platform that will be constructed on Grand Central Parkway. The rose colored pavement is already installed in the median of Grand Central Parkway. It is a more attractive and safer system than we have had in the past.

The picture below the rendering is a map of the ACE downtown connector route. The blue line is where the dedicated right-of-way is for transit. It goes to Grand Central Parkway and Casino Center Boulevard. We have a connection to the convention center along Paradise Road. Where it turns green is where we go into mixed traffic. Then we have a jog on Convention Center Drive over to the Strip, four stops along the Strip and then down to the intermodal terminal south of the airport where there is a "Park and Ride" lot. In our meetings and consultations, the gaming industry was not opposed to operating this service in mixed traffic along the Strip.

This is an attractive system and will be successful. Our existing service on the Las Vegas Strip generates a revenue surplus of about \$4 million. Our ridership levels in the resort corridor have maintained their high levels even with the economic downturn and fewer tourists in town. That revenue surplus allows us

to provide other services in the residential parts of the community, such as moving people to and from work, shopping, school and medical services. This system will function much like a light-rail line with the dedicated right-of-way in the median of the roads. This will be a fast service and not compete with cars along the route. The cost for this system, which is 4 miles long in the dedicated right-of-way and then an additional 7.5 miles along the Strip in mixed-flow traffic, was only \$52 million for an 11.5-mile system. The system we are proposing to put in Boulder Highway to follow this, using economic stimulus money, is a 14-mile system for \$48 million. Each of these lines will be completed for less than one mile of Phoenix's light-rail system.

We plan to expand this type of rapid-transit service to the parts of the Valley shown on the last page of the handout, [Exhibit C](#). The project we will use stimulus package money for is indicated by the red line going down Boulder Highway. We have other routes proposed. One is the Las Vegas Boulevard corridor south to Henderson where the M Resort just opened and further south into Inspirada Community. We have Sahara Avenue from the beltway on the west to Boulder Highway and further out to Hollywood Boulevard on the east. Flamingo Road from Boulder Highway to the beltway and ACE express routes will utilize the high-occupancy vehicle lanes constructed by the Nevada Department of Transportation on U.S. Highway 95. A park and ride will be constructed using stimulus package money at U.S. Highway 95 and Durango Road. Light-rail is a tremendous technology and fantastic way to go, and people will flock to it, but it does have the disadvantages of a much higher cost and inflexibility in the route network. This is ultimately why our board directed us to go with the ACE rapid-transit system.

SENATOR CEGAVSKE:

I went to Taiwan last year and rode on their train; it was incredible. I also remember when Minnesota first completed their light-rail system. Have you looked at other entities or countries and seen what they are doing?

MR. SNOW:

I spent two years living in Hong Kong, which is a transit wonderland. They have every form of mass transit I know. They have hydroplanes, streetcars, light-rail, heavy rail, subway and double-decker buses. I have been to the Minnesota light-rail line and to pretty much every major city in the country that has rail transit. I have also traveled through Europe extensively. As a country, we are behind the rest of the world in this type of transportation infrastructure.

SENATOR CEGAVSKE:

Technology-wise, it is impressive to look at everything going on with Taiwan's system. The Nevada Highway Patrol's station on Decatur Boulevard is also incredible. Is this the type of system, technology-wise, you want to do here?

MR. SNOW:

I cannot speak about what technology is in use in Taiwan because there are a number of different transit technologies. The service we would provide would be similar in terms of the ability of having dedicated rights-of-way for making the system fast. It may not be as fast as what they operate in Taiwan. The top speed of light-rail is about 60 mph and you do not want it to go a lot faster than that. Light-rail, by design, has stops that are not far apart. The usual distance is about a half mile to a quarter mile in the residential areas. When you get into the central business districts, stops are close together, about a quarter of a mile or less.

SENATOR CEGAVSKE:

How far apart were the stops on the system you were looking at?

MR. SNOW:

They vary on the density of the corridor. Our station stops for the ACE system are designed similar to a light-rail station. The distance between them is close to what a light-rail system would be if it was in that corridor.

SENATOR CEGAVSKE:

Do you know the cost per mile of the Minnesota light-rail system?

MR. SNOW:

Their cost was a little less than the Phoenix system because it was built earlier. They have some bridges on the system involving important grade separations. They were close to \$55 million per mile for the Minnesota system.

SENATOR CEGAVSKE:

What do you project their addition to cost, based on the information you gave us today?

MR. SNOW:

We are looking at a cost similar to Phoenix. There is pressure from St. Paul to extend the system to them since Minneapolis has it and St. Paul does not. The



portions in the city centers will be the most expensive to build, unless they are looking at tunnels or bridges elsewhere, which causes the costs to increase.

SENATOR LEE:

You do not have purview over the monorail system, correct?

MR. SNOW:

Correct.

SENATOR LEE:

Is there any time we would work in conjunction with the monorail to continue their plans for progress and to move people faster around the Strip and in the community?

MR. SNOW:

The Las Vegas Monorail Company is its own entity with its own board. When we did this study in 2004 through 2006, we looked at how we could integrate with their system. The ACE system downtown connector will have a station at the Sahara Avenue Monorail Station. We work with them on a regular basis as they attempt to expand to McCarran International Airport and to some of the resorts on the west side of the Strip. Looking at their routing, we have identified areas where we can have multi-modal connections with the system if it is ever expanded. We are hopeful it is.

SENATOR NOLAN:

What percentage of ridership falls off using the ACE vehicles versus light-rail?

MR. SNOW:

That is a difficult question to answer. If you look at the sophisticated computer transportation models which the federal government requires us to use, they show no difference between the two technologies. There is a difference though because of how people will perceive the system; at least to start with. A transportation expert once opined that in Latin America, where there is extensive use of bus rapid transit, Latin Americans have a cultural bias against trains and a preference for buses. He also opined that in North America, we have a cultural bias against buses and a preference for trains. It is difficult to account for that in any technical computer model we would use. I do not know the difference, but the MAX line in North Las Vegas has shown us 24 percent of the people riding that system used to take some other form of transportation.

Typically, when light-rail systems go into western cities, about 40 percent of the ridership did not come from the bus, they came from people who were driving and chose to take the train. That is the only quantitative comparison I have for you. It will depend on each corridor.

It is more important how we deploy the technology as opposed to what kind of technology it is. Looking at the picture of Grand Central Parkway, [Exhibit C](#), we deployed the colored concrete, landscaping, the stations and the platforms very well. Additionally, the overall speed of the service, the attractive and quiet ride, since these are hybrid vehicles, means we are not going to see a big difference in attractiveness. They do have an engine on them, but when they are in electric mode you cannot hear them. The hybrids are most efficient when they are in stop-and-go traffic.

We used to have two bus routes along the Las Vegas Strip. One was an express service to get employees to and from work because it made fewer stops. We took that away because it was confusing to people. We are adding this back with a different vehicle. We have the Deuce that make 26 stops going north and 26 stops going south on the Strip. This service will be faster, with fewer stops. It will be done with a low-floor vehicle that is friendlier to the disabled and accessible to folks with wheelchairs. You do not buy your fare and wait at the front door to go to the fare box. The ticket is bought at a vending machine in the station just like a light-rail system. The way you deploy the technology is more important than which one is selected. We are going to be successful with this approach.

SENATOR LEE:

A picture in your presentation, [Exhibit C](#), shows people waiting by a bus shelter that is too small for their needs. What are we doing about bus shelters?

MR. SNOW:

We have a lot of people who are transit-dependent in Las Vegas, including tourists. Most of the people in that picture were tourists. There are new bus stop shelters along the Las Vegas Strip. They are bigger, safer, provide better information and are much nicer. We are in the process, with Outdoor Promotions, Inc., of replacing 400 bus shelters in unincorporated Clark County and adding an additional 450. There is a major expansion under way. About \$4 million of our federal formula money next fiscal year is to add additional bus shelters. We are also moving bus shelters to make them safer. We have moved

150 of them behind the sidewalk so they are farther away from automobile traffic and provide safer areas of refuge for pedestrians and bus riders. In our climate, they are not an amenity we can choose to ignore. We are negotiating with Outdoor Promotions, Inc. to consolidate all the contracts held by the City of Las Vegas, the City of North Las Vegas and the City of Henderson into one master contract so we have better uniformity throughout the Valley.

SENATOR BREEDEN:

Is the City of Henderson in agreement with this system?

MR. SNOW:

I cannot speak for the City of Henderson, but when we were going through the process in 2004 through 2006, they were great partners on whatever transportation issue we undertook; whether it is roads, highways, intelligent transportation systems or mass transit.

SENATOR BREEDEN:

You indicated the ACE system will eventually connect to Henderson. Do you have a time frame for that?

MR. SNOW:

The Boulder Highway route shown in red in the handout, [Exhibit C](#), does go all the way to Nevada State College. We expect to have that under construction by this summer. It will take about a year to build. We are hoping to open it sometime in the summer or fall of 2010.

CHAIR SCHNEIDER:

People who live within proximity of rail or bus drive 4,400 fewer miles a year. When you have the congestion we have, and it is growing, if we do not have a system it will only get worse. Traffic congestion in cities without a rail system and backed up with buses grows at 73 percent. That is what we are facing here. St. Louis, with MetroLink, has 12,500 cars a day removed from rush-hour traffic.

MR. SNOW:

I agree with the points you have made.

SENATOR TOWNSEND:

One of your slides showed rapid-transit and light-rail costs with broad capital cost ranges. Could you give us the components that go into the range and why they are so significant?

MR. SNOW:

Much of the variability of the ranges has to do with the type of right-of-way the system is using. There are portions in Denver, Portland, Salt Lake City, St. Louis and San Diego where the systems utilize and benefit from an existing freight railroad rights-of-way. It was not in use or abandoned and available for free or at a low cost. Much of the roadbed for the light-rail is typically already in place as well. With the track, track bed and portions of the infrastructure there to utilize, that makes the lower-end portion of the cost spectrum. We have part of that in the Henderson branch of the Union Pacific railroad. If we were to go in and put a light-rail system there, we would have to take out that track. It is class-one track, but old, and we would also need to replace the ties. The railroad bed is in good shape.

SENATOR TOWNSEND:

Would the right-of-way there be available? Or does it need to be acquired from Union Pacific?

MR. SNOW:

It would need to be acquired. San Diego entered into a lease agreement with the railroad where they did not acquire it in fee simple. In 2004 and 2006, we were negotiating with Union Pacific and they were interested in us acquiring the right-of-way. In Salt Lake City, they acquired right-of-way from the railroad. It was a considerable amount of money. We tried to enter into an agreement with the railroad to lease some space on the route. There are only two trains a day, we could have temporal separation and not operate at the time freight trains come through. That was the least expensive way to do it. The railroad basically said, "I am sorry, but we are not even going to consider such a proposition. You acquire the whole thing or nothing." We negotiated with them for a while. Clark County and the City of Henderson, as part of the Southern Nevada Public Land Management Act (SNPLMA), had approval from the federal government to use SNPLMA account monies to acquire portions of that right-of-way to build bicycle and pedestrian trails on both sides of the track. That would have helped defray a considerable amount of the acquisition cost. However, Union Pacific is not in favor of selling that portion of the route now. This is based on a letter

I received a few days ago and a phone call we had with Union Pacific. At one time we were in active negotiations with the railroad to acquire it; that is no longer the case.

SENATOR TOWNSEND:

Since it is already there, is it your goal to acquire or have access to it and then replace the rails?

MR. SNOW:

Back in 2004 to 2006, that was one of the options we were considering.

SENATOR TOWNSEND:

You mentioned your ACE program and that you wanted to use diesel. That is perplexing since we spend hours here to have less pollutants in the air. Why would we not go directly to hybrids?

MR. SNOW:

When ACE operates downtown, much of the propulsion will operate from the electric power generated from the braking of the system. It is a diesel-hybrid electric system. We also use ultra-low sulfur diesel in all of our fleet. You cannot see black exhaust coming out of the exhaust pipe because 95 percent of the sulfur has been eliminated and most of the particulates are gone. With a diesel-hybrid electric, it is very environmentally friendly.

SENATOR TOWNSEND:

Once the proposed light-rail line moves past the airport and then turns north up the Strip, have the properties' representatives signed off on this proposal? This is going to run down the Strip, correct? Have you gotten far enough to make a determination on its route?

MR. SNOW:

We had members of our stakeholder advisory committee, many from gaming, participate in that process. Looking at the "ACE Downtown Connector" map, [Exhibit C](#), this is the first line going in. The long line in green is the Strip. Everywhere in green we are operating like a regular bus in mixed-flow traffic. Support has been expressed to us many times. They have no opposition to us operating on the Strip as a regular bus.

SENATOR TOWNSEND:

If this bill becomes law, would you first have debate, consultation and hearings before building a fixed-rail system down the Strip?

MR. SNOW:

We were directed to work with the stakeholders in the resort corridor first with this type of bus rapid-transit system. We could not get support from the gaming industry for any form of dedicated right-of-way along the surface of the Las Vegas Strip. We are not proposing to build a tunnel, bridge or anything else. What we have agreed with, as part of that collaborative process, is the "ACE Downtown Connector" map to operate in mixed-flow on the Strip. The portions in blue, in downtown Las Vegas along Casino Center Boulevard and Grand Central Parkway, have a dedicated right-of-way with colored concrete lanes.

SENATOR TOWNSEND:

Is there dialogue with the Las Vegas Monorail Company about their original plan to expand to the airport and downtown?

MR. SNOW:

There is a tremendous amount of dialogue and collaborative planning with the Monorail Company. Curtis Myles III, the President and Chief Executive Officer, used to be the Deputy Director of the RTC and we have a good personal and professional relationship. We include their plans for expansion in our federally required regional transportation plan.

SENATOR TOWNSEND:

In the 1970s in Reno, someone came up with an idea to sink the railroad tracks that run through downtown Reno. When the \$11 million price tag came back, everybody was aghast. At the time, Reno had not developed and was a sleepy little place prior to the growth of 1978. Then, when all those gaming properties started to get built in 1978 and 1979, everyone said a train trench really needed to be done. The City of Reno got a price tag of \$22 million. It finally came to fruition more than 20 years later and turned out well. It was a substantially larger project than expected, and when it was finished it cost between \$250 million and \$280 million and caused great turmoil in the City. Since you are three or four times the size of Reno, delaying these projects is significantly problematic for your residents. If anyone thinks it gets easier later, it does not get easier or cheaper.

If a consensus can be built in your community, it is important to determine a long-term plan. When your community started talking about Interstate 215, they thought it was crazy. If you get on that any time of the day, it is filled. We have McCarran Boulevard in Reno, and everybody thought that was the most outrageous thing in the world, but now we could use a second ring road. Although they look futuristic and expensive and no one wants them in their backyard, you have to deal with these things. We have an obligation to think 20 and 30 years in advance or otherwise it cannot get done. Reno has finally finished the train trench after 30 years and now, of course, everyone says it is a great idea and we should have done it years ago.

CHAIR SCHNEIDER:

Public transportation is a major contributor to energy conservation. It is estimated public transportation saves 4.2 billion gallons of gasoline equivalent annually. Moreover, communities that invest in public transportation reduce the nation's carbon emissions by 37 million metric tons annually. This is equal to the electricity used by 4.9 million homes. Besides congestion and lifestyle, we have to clean up our planet Earth.

Salt Lake City said they had it easier since they have a long, narrow city along the Wasatch Range. We have that on the Strip. We know where 37 million tourists, our employees, and the traffic on Interstate 15 from Southern California are going in Las Vegas. If there was a fast light-rail moving out of the Henderson area to North Las Vegas and the Strip, carrying employees along with tens of thousands of tourists, what would your ridership estimate be?

MR. SNOW:

We did ridership estimates of this 33-mile system and they were 100,000 per day going from Henderson, along the Strip, and out to North Las Vegas.

CHAIR SCHNEIDER:

Is that on top of the daily ridership numbers of 180,000?

MR. SNOW:

Yes. That may sound ridiculous, but we have carried more than 50,000 people a day on just one bus line during the National Basketball Association's All-Star Game.

CHAIR SCHNEIDER:

Those numbers put us with East Coast cities with mass transit.

Our unemployment rate statewide is 9.1 percent and will probably hit 11 percent or higher this year. That is 128,000 people unemployed right now. Do you support a system like this? How would it affect our workers?

DANNY THOMPSON (Nevada State AFL-CIO):

I was a member of the RTC's fixed-guideway committee; I am also commissioner on the high-speed train commission. I was invited by U.S. Senator Reid to Washington, D.C., to talk about the stimulus package money. I was asked to provide a list of projects that could be done right away. Of course the high-speed train between Las Vegas and Anaheim has already had a lot of work done.

Mr. Snow accurately described the process we went through to come up with the proposed system. We should afford him all the tools he needs to acquire rights-of-way because there was vocal opposition in some places. Senator Townsend is correct, the more you do on the front end, the easier it is on the back end. Reno is a better place after lowering the railroad tracks. It is a safer place and tourism is better off. Tourism drives our economy. We gave all of these projects to the U.S. Senate for the possibility of stimulus package dollars.

The recorded unemployment in Nevada is 9.2 percent, but that does not take into account segments of the home building industry such as undocumented workers who are not counted and were laid off. The number from the northern building trades meeting a month ago is at 30 percent. Paul D. McKenzie testified yesterday that amongst the 18 building trade unions in Reno, unemployment is 50 percent. Those are worse than depression-era numbers. In southern Nevada, once these large projects are completed in the third quarter of this year, they will start to run out. At CityCenter, we have 12,000 people working. When these jobs end, there are no large-scale jobs on the books. The ones on the books have been canceled, postponed or abandoned.

We need to encourage new work. When CityCenter comes on line in the corridor, they will hire 12,000 workers. Getting the workers to CityCenter, much less the tourists, is a huge undertaking. Mr. Snow and the RTC have spent many hours working with the industry. Construction of a light-rail system



would help mass transportation of our citizens. We need to provide the tools to Mr. Snow. The acquisition of rights-of-way before the growth occurs helps. We should act now and do anything we can to put people to work. These projects benefit everyone.

CHAIR SCHNEIDER:

There is no time like the present; it only gets more expensive. Contractors are not high on bids anymore because they need work. They are sharpening their pencils and becoming reasonable on their prices. We need to move forward.

SENATOR CEGAVSKE:

I understand your concerns about unemployment. How many people in your association are not working?

MR. THOMPSON:

Northern Nevada has 18 building trade unions and they are at 50 percent. I do not have accurate numbers from the tourism unions, but it is staggering. I do not want to put a number out there, but it is not 9.2 percent.

SENATOR CEGAVSKE:

Do you think it is more than 50 percent?

MR. THOMPSON:

I do not think it is 50 percent, but it is a staggering number. Some properties are closing restaurants. If they close the buffet, that is big trouble.

SENATOR CEGAVSKE:

The ultimate goal of this is to stimulate jobs and the economy. I feel your pain because the industry I work with, the convenience-store industry, with the smoking initiative, has some stores down 50 percent with others at 35 to 40 percent and climbing. We have seen many people lose their jobs.

CHAIR SCHNEIDER:

We can pay people to work or pay unemployment and welfare. We can pay them to work and have a huge rail system in the end. What do you want for your money? We are going to pay the money no matter what.

MICHAEL MATHIS (General Counsel, Echelon Resorts, Boyd Gaming):

It is important to be forward-looking about where the Strip, our industry and State need to be on long-term issues like transportation and infrastructure. We are supportive of that. We have a significant presence on the Strip and throughout the Las Vegas Valley with our properties. We have a large stake in transportation issues for both our guests and employees. We support S.B. 115 and its goal of coordinating the various municipalities that make up the Las Vegas Valley for a coordinated public transportation solution. Boyd Gaming's presence here and the amendment are not to indicate anything otherwise. We just have concerns about how the Strip plays into that overall effort. Anecdotally, I was in London a year ago and I was struck by their double-decker bus system. You see service workers and laborers right next to professionals and other tiers of workers. Their whole society treats public transportation differently. There is an opportunity to change the way Las Vegas and Nevada handle public transportation.

One concern we have with the bill is we are designating light-rail as dedicated, exclusive right-of-way. The Strip is a unique animal. Boyd Gaming and the industry has talked to Mr. Snow about light-rail versus the ACE system ad nauseam. One decision he made was light-rail is a fixed system. Our conversations with Mr. Snow determined that on the Strip, there are a couple of situations with no opportunities to get a right-of-way. Even if there was a dedicated bus system like ACE, Mr. Snow and RTC acknowledge there were spots on the Strip where it would have to be in mixed traffic. I do not know if there is an engineering solution, but that is one aspect of the system talked about in this bill.

There are concerns raised in the past, based on the ACE system, which lend themselves to this same conversation. As you know, the RTC has reported that Las Vegas Boulevard has been at its full capacity of 70,000 cars per day since 1995. Clearly, in the long-term, we need to mitigate the impact of a congested Strip in terms of travel times and pedestrian safety. In that context, the RTC spoke to many Strip owners over the last year about their proposed ACE bus system. It would be a sister line to, and maybe eventually replace, their successful Deuce line. It was determined for the line to have a dedicated, exclusive lane, it would have to be down the middle of the Strip in newly created lanes. There are a number of challenges for that proposal. It would require at-grade pedestrian crossings at most of the major intersections where stairs cannot be retrofitted to the existing bridge system. Because CityCenter is

new construction and engineering, that leg could be dropped down and connect folks boarding or egressing on a median line. For many of the older bridges though, it would either be impracticable or expensive to retrofit that kind of system.

Creating an at-grade crossing on Las Vegas Boulevard undermines the existing and successful pedestrian bridge containment system that has saved many lives in terms of pedestrian accidents. The Strip ranks high among pedestrian fatalities but that statistic has improved because of the bridges. The industry and county have invested millions of dollars into the pedestrian containment system. A breach of the system created by at-grade crossings not only affects individuals on the system, but it affects the ability to contain pedestrians not on the system; to keep them on the bridge system. That is a major concern about a median line, dedicated at-grade crossing system.

Aesthetically, Las Vegas Boulevard is iconic for its palm tree median and landscape. Stripping out that landscape to create the exclusive lanes required for a bus system would harm the iconic resort image of the Strip and further urbanize it. Our industry is looking at how to recapture folks going to other destinations because the Strip has gotten too congested and urbanized.

Boyd Gaming commissioned an informal poll of Deuce riders in conjunction with Mr. Snow to understand the makeup of a Deuce rider. Mr. Snow explained the Deuce rider may fit the format of the future ACE rider. In the polls, we found many of them were not our employees. A lot of the resort properties build employee entrances to the back of the house, either to an industrial road, arterial entrance or Paradise Road. Because of this, many workers are Citizen Area Transit bus riders. It is a successful line and they enter off the arterials and not Las Vegas Boulevard.

In our survey, 72 percent of the riders of the Deuce system were tourists, 94 percent of which characterized their visit as a vacation. The number one purpose for riding the Deuce, at 43 percent, was sightseeing. The second highest purpose, at 38 percent, was shopping. Neither of these activities were indicated as time-sensitive. Only 14 percent of the ridership indicated their rides were time-sensitive. Our conclusion was, to the extent there was a need for dedicated express lanes, they were not needed for tourists who were leisure riders. The congestion did not affect them since they were not doing anything time-sensitive. We are committed to a solution for an integrated public

transportation and traffic infrastructure solution. The Strip though, because it is unique and has many challenges, should be altered later on after further study and more analysis.

SENATOR CARLTON:

I remember before we had pedestrian walkways over the Strip. We wanted people to be safe, but you could also not make a right turn on Las Vegas Boulevard. Now people are off the street and traffic moves better. If we put the ACE system into mixed traffic on the Strip, we will not be solving the congestion problem. I understand your concern with the walkways, the ingress and egress from each of the casinos and having employees go in the back. It is logical to have buses in their own lane. When someone goes down the Strip, they will know what lane not to be in. The pedestrians and tourists know how to get on and off; they are using it now. I do not understand your concern on the dedicated lane.

MR. MATHIS:

The concern is what would be needed for a dedicated line. The challenge is to either create new dedicated lanes down the median, and then in a lot of cases have no way to connect to the pedestrian bridge system, or put them on the outside lanes. Then entrances, right-ins and right-outs to each of the properties on either side of the Strip become a challenge. There will be a conflict between buses on the outside lanes and the cars entering our properties. The only way to avoid that, in our discussions, was to take out the median and palm trees and create two new lanes. We would not reduce the capacity of the other lanes.

You are right about the congestion. The U.S. Department of Transportation estimates the Clark County Strip pedestrian bridges relieve 40 percent of conflicts. When you drive and make a right turn at a red light, there is a pedestrian green light going on. The conflict avoided by having those people above you, on a pedestrian bridge system, is 40 percent of the congestion.

SENATOR CARLTON:

I have been preaching to have the buses go down the median for years. With those bridges, I have gone up to the top, walked halfway over, gone back down, and gotten onto the median and whatever transit I am going on. The median can still be reached by a pedestrian, just from the bridge, not the sidewalk.

CHRIS WHITE (Director, Resort Development Group, Harrah's Entertainment):

We lend our support to our colleagues at the Nevada Resort Association, MGM and Mr. Mathis at Boyd Gaming. Harrah's supports the activities of this Committee, the RTC and the Nevada Department of Transportation in addressing the transportation issues along the resort corridor and throughout the Las Vegas Valley. We also express our support for the guideway in this bill, but have concerns over the dedication of any right-of-way down Las Vegas Boulevard within the resort corridor. There are certain risks, that Mr. Mathis articulated, in potential degradation of the Las Vegas brand in the tourist community. It would be a threat to the experience we provide to our guests.

JOSH GRIFFIN (MGM Mirage):

We support S.B. 115 and the amendment Mr. Ferraro will be presenting later. Mr. Mathis described the concerns and challenges well. We want to work with all involved and make this process work.

GREG FERRARO (Nevada Resort Association):

I have submitted two exhibits to the Committee which are letters sent to the RTC last summer, [Exhibit D](#) and [Exhibit E](#), after a similar presentation was made to the Board of Directors of the Nevada Resort Association. These letters spell out the reasons for objecting to a dedicated right-of-way or fixed guideway down the Las Vegas Strip. It is time to seriously think about the importance of mass transit in southern Nevada together. It is time for us as local governments and as private parties to come together to find solutions. Part of our history is to work together and find solutions when others say it cannot be done. It is a matter of course and a record we are proud of.

I have a proposed friendly amendment for your consideration ([Exhibit F](#)). As is indicated, we are talking about fixed guideways in section 2. It also outlines in general terms the corridor. I propose to amend line 13, page 2, to include the language, "excluding Las Vegas Boulevard between Sahara Avenue and Russell Road." The reason is the aforementioned objections and concerns associated with dedicating or establishing a fixed guideway down the Strip. Taking out that section of Las Vegas Boulevard would be helpful with this process going forward. On behalf of a number of properties along Las Vegas Boulevard, we want to be a part of further discussion, to support this bill, and to achieve the ultimate objective of stimulating mass transit.

SENATOR LEE:

Past Tropicana Avenue, you are speaking for a lot of businesses and future business. The south Strip is going to be a lot of time shares, with a lot of other stuff moving there. To put a footprint from Sahara Avenue to Russell Road is over-stretching the financial implications you think are going to happen for you. If it was Sahara to Tropicana, maybe you have space there, but this is too far-reaching for me to consider it.

MR. FERRARO:

This is only one way for us to get at this issue. There may be better ways to define the resort corridor for this bill and future discussions. We have thought of it a couple of different ways. We thought this was a good starting point. This illustrates where the crux of the issue rests, but we are open to other suggestions that accomplish the goal.

CHAIR SCHNEIDER:

Could you explain what happens under your amendment to the resort corridor?

MR. FERRARO:

As part of the broader fixed-guideway routing configuration, a dedicated right-of-way or a fixed-guideway system should not be included on the surface level of the Strip. As you heard from Mr. Snow, we already have a successful system working where buses are in a mixed flow.

CHAIR SCHNEIDER:

But it does not alleviate traffic. The Strip used to be run by guys like Mo Dalitz and they did not landscape the medians. They had nice properties that were very pretty but the Strip looked awful. We have moved through that era and lately we have people, like Gary Loveman of Harrah's, who are corporate guys who do not live in Las Vegas, dictating policy on the Strip and to the Legislature. It is my opinion this Committee and the people of Las Vegas are stewards of the Strip. The guys who work in these places care about what happened last quarter and what is going to happen next quarter. We want them to be successful, we know we have a four-mile stretch that nobody else has in the world and we want to keep it nice. We want it to be the best four-mile stretch in the world, we want to increase it to six or seven miles, but we want to move the people. Southern Californians who drive to the Strip say they are kept away by the gridlock. The overhead walkways are small dollars compared to the congestion we would solve with light-rail. If we do fixed-guideway rail,

dedicated lanes or whatever we come up with, that is going to help improve our community. We are not trying to work against the resorts. We are trying to work with them and better our community. The members of this Committee and the 100,000 people employed on the Strip care about the community. Whether you put rail at ground level, elevate it, or put it underground, everything has to be on the board and we have to negotiate. You could put it down the middle and make it look nice. Instead of everyone looking at their own property and ingress and egress, maybe that ingress and egress has to be relocated. We might have to get architects and artists involved to create a real nice system. We do not want to let you totally walk away and say, "Ugh, we have nothing to say here now. Do not mess with our Strip," because it is really not your Strip, it is Nevada's Strip.

MR. FERRARO:

I agree with a lot of what you say, but I want to correct the record. Our gaming employees and executives care about the community and the State. Many of these people are devoted to making our State and our southern Nevada community the best it can be, looking far beyond quarter to quarter. We take a lot of pride in our community and State. Drawing references to other struggling places is not helpful and not accurate. With those two exceptions noted, I agree with you that the Strip is a statewide asset and an internationally noted brand. Every stakeholder, resident and public-policy leader has to take extra concern about how it works. That does not mean it has to be one way or the other. We want to continue to work with this Committee, the sponsor and others to find the best possible way to make mass transit work. We have objections previously stated, as noted by the RTC, about issues associated with dedicated rights-of-way and fixed guideways in that section of the Strip.

SENATOR NOLAN:

Will we have a presentation to hear about the high-speed train project between Las Vegas and Southern California? We are all aware of where that stands in terms of funding, the attacks going on and how it is being phrased. I did not know if the gaming industry was engaged in helping defend that. We need additional alternatives for affordable transportation to our market on the gaming side, but the greatest need to have high-speed rail is to open up highway capacity between the ports of Long Beach and San Diego for commerce. The American Trucking Association said their trucks on that route are going to increase by 40 percent over the next decade, which is going to choke the expansion projects already put in. Are you guys engaged and helping us with

the message? We know you are hurting, but this is the time we need to invest in these things. The message needs to be the reason we are putting rail out there is to decrease the personal interstate vehicle traffic and accommodate truck traffic to the entire southwest region along Interstate 15.

MR. FERRARO:

We pay close attention to any way to enhance movement between Las Vegas and Southern California. In light of the stimulus package, which has elevated these issues, we are paying close attention to how it is going to work. I do not have an official position to tell you, but anecdotally these properties are interested in how that would work and making it come to fruition.

CHAIR SCHNEIDER:

I have a poll taken on the *Las Vegas Sun* Website this morning ([Exhibit G](#)). Even though it was attached to the story where some Legislators and I were viewed as unethical, the people of the Las Vegas Valley are polling in and 76 percent say the Valley needs this light-rail system. That is an overwhelming number.

CRAIG GALATI:

I facilitated the Regional Fixed Guideway Steering Committee (RFGSC) for the RTC through 2004 and 2006. In general, the public is supportive of this type of project and they would use this type of system. It is a backbone system which would allow the other services the RTC provides to have a place of connectivity. This is important to create mobility throughout the entire Valley. During our RFGSC facilitation and public outreach, there was only one small section in Henderson that objected to the regional fixed guideway at the time. We had many meetings across the Valley, from North Las Vegas to Henderson. We had overwhelming support in the rest of the areas in the corridor. The only test is if the public is supportive of funding it. That is a question we do not know, but the public will use this, it will be fantastic for the Valley.

There were representatives of the resort corridor on the RFGSC. While we did not find complete common ground, there were many areas where we did. We can continue as a group to work towards that, but the resort corridor is an important piece of this. If the resort corridor is cut out, it is like cutting the heart out of the artery system. This is where people will go, want to go, and it is what will make the system work. Whether it is in mixed traffic or a dedicated lane is for others to decide. My personal opinion is if we want to increase the



speed and eliminate congestion, a dedicated lane of some sort is appropriate through the resort corridor.

KAREN STORMS (City Clerk, City of North Las Vegas):

The proposed fixed-guideway corridor promotes regional mobility as well as transportation and energy efficiency with a public transit approach. The City of North Las Vegas is therefore in strong support of S.B. 115.

CHRIS FERRARI (North Las Vegas Chamber of Commerce):

We are in support of S.B. 115. This bill makes a positive policy statement. We are excited about the new jobs and redevelopment opportunities other systems have shown across the country. We are also excited about the possibility of future public-private partnerships to make this transportation dream a reality. We look forward to being a part of this moving forward and to offering the expertise of our members to facilitate its future.

KYLE DAVIS (Policy Director, Nevada Conservation League):

We are in strong support of the expansion of mass transit for all the reasons the Chair has enumerated in terms of its environmental benefits from reduced harmful pollutants and greenhouse gas pollutants. Whether the transit be light-rail, bus rapid-transit or heavy rail, the impacts it has on development in both residential and commercial sectors are positive. It creates communities and fosters smart growth and mixed-use development where you work closer to your home. That is something we can all look forward to in Las Vegas.

When talking about the type of transit to develop, whether it is bus rapid-transit or light-rail, the most important thing was pointed out in the RTC presentation. To be successful, you need some sort of dedicated lane or fixed route for the transit. You need to preempt the traffic and there needs to be platform boarding so it is easy for the rider. When making a large investment in rapid transit in the Valley, we have to ensure the success of the system. It is a lot of money and there is a public expectation it be spent wisely.

I have two concerns. If we cannot have a dedicated lane on Las Vegas Boulevard, or in that specific vicinity, then we are either talking about buses in the stream of traffic or taking it off the Strip and onto back streets. When I served as a member of Washoe County's 2040 Plan Steering Committee, it was pointed out when the Sierra Spirit goes down the side streets in Reno during special events where Virginia Street is closed off, ridership drops

significantly, even though there is a special event. It is important to have the transit on the street you are trying to service. If we do not have a fixed lane, it impacts the entire system. It means reduced effectiveness and less ridership. The system will then not expand out into the suburban areas and the public will see it as tax dollars not spent wisely. We are in favor of a fixed guideway and dedicated lane throughout this process.

SABRA SMITH-NEWBY (Clark County):

Clark County is generally supportive of mass transit and moving people faster and more effectively. However, we have a concern with the possible cost of getting the rights-of-way. I realize the bill does not mandate that, but it is a concern particularly in these economic times.

DAVID BOWERS (Assistant City Engineer, City of Las Vegas):

We would like to echo Clark County's comments. We are a strong proponent of this issue; it is going to increase our connectivity with different areas in the region and reduce congestion. However, there is the concern in these tough economic times, of how this right-of-way is going to be acquired and exactly what this cooperative effort means. Further testimony would help us determine which direction we should move on with this bill.

CHAIR SCHNEIDER:

Salt Lake City bought and leased land from the railroad. Joe Guild, would you be available to work with the cities and county in the Las Vegas Valley?

JOE GUILD (Union Pacific Railroad):

The Committee, testimony and the bill references the railroad. While I was not a party to what happened in Utah or any of the discussions that Mr. Snow referenced, on behalf of Union Pacific we would participate in any discussions. Mr. Snow might have left the Committee with the impression the railroad was unwilling to discuss this further. That is not the case. While they could not come to terms before, future discussion can occur. These future discussions are not foreclosed. While there are only two trains a day on that Henderson branch line, the reason it is in existence and continues to operate is we have a common carrier obligation to service the industries in Henderson that use the railroad. There are significant problems with safety, liability and other things the railroad is concerned about. These details need to be fleshed out as discussions go forward. We are happy to sit down and be a participant.

CHAIR SCHNEIDER:

I know Union Pacific and other railroads have negotiated in other cities because they have rail systems and different forms of mass transit.

RANDELL S. HYNES (United Taxicab Drivers):

This bill is servicing a population the taxicab drivers have not been able to service. The Taxicab Authority has 400 geographically-restricted cabs away from the Strip and other areas where most cab pickups occur. About 200 cabs hang around the fringe of the Strip while the other 200 cabs service almost 1.8 million locals. This is not getting the job done. This bill will help create rides for taxicab drivers because after the people have reached the stations, they will still need rides.

I have been trying to work with the Public Works Department, County Commission and the Metropolitan Police to designate taxi stands along the resort corridor. Presently there are only about 50 places in the corridor where taxicab drivers can do pickups. We cannot pick up people who hail us on the street, and there are no municipal taxi stands. This is a great opportunity to have taxi stands adjacent to the light-rail. We could at least pick up on the Strip at designated taxi stands. Right now, it seems impossible since there is no place to put the taxi stands, but if there is construction, we could meld the taxi stands in and give taxicab drivers an opportunity to service the resort corridor, rather than being pushed onto the 50 taxi stands.

CHAIR SCHNEIDER:

My research shows that on any light-rail system or mass transit, the last mile is critical. Cabs may be the answer to fill that need.

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I will now close the hearing on S.B. 115 and adjourn the Senate Committee on Energy, Infrastructure and Transportation at 10:59 a.m.

RESPECTFULLY SUBMITTED:

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Josh Martinmaas,  
Committee Secretary

APPROVED BY:

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Senator Michael A. Schneider, Chair

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