

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

**Seventy-fifth Session
April 3, 2009**

The Senate Committee on Energy, Infrastructure and Transportation was called to order by Chair Michael A. Schneider at 8:33 a.m. on Friday, April 3, 2009, in Room 2135 of the Legislative Building, Carson City, 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
Sandra Hudgens, Committee Secretary

OTHERS PRESENT:

Susan Martinovich, P.E., Director, Nevada Department of Transportation
Dan Musgrove, Vice President, Government Affairs Group, McDonald Carano
Wilson, LLP; National Association of Industrial and Office Properties
Shirley J. Ybarra, Senior Transportation Analyst, Reason Foundation

CHAIR SCHNEIDER:

In an article titled, "California Senate passes bill to expand green power requirements," California has increased their renewable portfolio to 33 percent by the year 2020 ([Exhibit C](#)). Nevada's proposal was 25 percent by 2025. California is getting aggressive and we should keep that in mind because all the solar plants are being built in this State, not in California.

The next article, "1BOG and SunRun Sweeten the Deal for Home Solar Electricity," tells of a group of partners getting together to encourage homeowners to install solar electricity in their homes for a rebate ([Exhibit D](#)).

The *Las Vegas Sun* newspaper has an article about NV Energy seeking \$320 million by increasing power bills by 18 percent ([Exhibit E](#)).

Senator Lee has a proposed amendment 3855 for Senate Bill (S.B.) 206 ([Exhibit F](#)).

SENATE BILL 206: Establishes provisions governing the construction and operation of certain toll roads. (BDR 35-1091)

SENATOR LEE:

I do not want toll roads. My goal is to let anyone contemplating coming to Nevada to set up a toll road know that directives are in place. No one will run "roughshod" over us. I passed out a sheet listing what S.B. 206 does and what S.B. 206 does not do ([Exhibit G](#)). Elected officials from the county concerned will be on the Toll Commission so they will have a say on the toll road, not the toll-road operator. The Senate, Assembly and Nevada Department of Transportation (NDOT) will be on an oversight committee. If a toll-road operator wants to come to Nevada, they "will have to jump through all kinds of hoops" and meet all kinds of criteria. This bill does not advise toll roads in Nevada. If a bill is passed to allow toll roads, it will say, "This is the way you are going to do business in Nevada." If there is passage in S.B. 206 with this amendment, it will protect Nevada roads.

SENATOR CEGAVSKE:

What is happening with the Interstate 15/U.S. Highway 95 (I-15/US 95) Demonstration Project "Pioneer Program"? We were told it was unconstitutional. Is there anything in S.B. 206 that addresses the Pioneer Program?

SENATOR LEE:

The money going directly to the toll operator is the unconstitutional part. The toll money has to go to NDOT and then NDOT will pay the toll operator.

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SENATOR CEGAVSKE:
Is there anything in S.B. 206 that addresses the constitutionality?

SENATOR LEE:
Yes.

SENATOR CEGAVSKE:
Is it found on page 2, subsection 5 of the proposed amendment?

SENATOR LEE:
Are you looking at line 18?

SUSAN MARTINOVICH, P.E. (Director, Nevada Department of Transportation):
We worked with the Legislative Counsel Bureau using the same language used in the *Constitution of the State of Nevada* found on page 2, lines 18-22 of the proposed amendment to S.B. 206. The money goes into the State Highway Fund.

SENATOR CEGAVSKE:
Is the Pioneer Program an existing road?

MS. MARTINOVICH:
Part of the Pioneer Program is on a segment of US 95. The current High Occupancy Vehicle (HOV) lane is the segment of the existing road to be used.

SENATOR CEGAVSKE:
How many miles is that?

MS. MARTINOVICH:
It is four miles of that segment. The whole Pioneer Program is 19 miles.

SENATOR CEGAVSKE:
Other than the four miles, will the rest of the project be on new road?

MS. MARTINOVICH:
Yes.

SENATOR CEGAVSKE:
Will you have a problem complying with this section of the bill?

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Ms. MARTINOVICH:

No. We worked with our legal staff and we can still provide the payment to meet our contractual obligations should the Pioneer Program go forward and still meet the requirements of the Nevada Constitution.

The Pioneer Program runs on US 95 starting at Ann Road in the northwest part of Las Vegas going south through the Rainbow Curve and going east to the "Spaghetti Bowl" and through the "Spaghetti Bowl" turning south to I-15 until it reaches the "Beltway" at U.S. Highway 215.

SENATOR TOWNSEND:

Is this something you want to construct?

Ms. MARTINOVICH:

Yes.

SENATOR TOWNSEND:

Or is it being constructed?

Ms. MARTINOVICH:

No, it is something we want to construct. It is on the Internet < www.nevadadot.com > .

SENATOR TOWNSEND:

Has this been constructed or is it to be constructed?

Ms. MARTINOVICH:

It is to be constructed. We have Assembly Bill (A.B.) 524 allowing us to enter into a partnership to incorporate tolling and automated enforcement. This will allow us to bring in \$1 billion to construct that roadway within the next 5 years.

[ASSEMBLY BILL 524](#): Authorizes the Department of Transportation to establish a demonstration project for managed lanes in Clark County. (BDR S-1035)

SENATOR TOWNSEND:

Is your goal to use tolls to pay for this in a public-private partnership (PPP)? Does a private person put up the money to build it and the tolls will offset the cost?

MS. MARTINOVICH:

Yes. We bring in outside money to build the infrastructure because we do not have any money to do it. Then we pay them back with the toll revenue raised over a period of time.

SENATOR TOWNSEND:

Does that evade the prohibition against toll roads in Nevada?

MS. MARTINOVICH:

We need the bill in order to have the ability to do that.

SENATOR TOWNSEND:

Is the bill the repeal of the constitutional prohibition?

MS. MARTINOVICH:

It is not the repeal of the constitutional prohibition; it is addressing the statutory prohibition against toll roads and automated enforcement.

SENATOR CEGAVSKE:

I am not excited about the toll project. How does the A.B. 524 affect S.B. 206?

SENATOR LEE:

I do not think A.B. 524 will pass.

SENATOR CEGAVSKE:

I think it will.

SENATOR LEE:

They are moving in two different directions.

SENATOR CEGAVSKE:

That is what concerns me.

SENATOR LEE:

You can take out the Pioneer Program if you did not like it. The Las Vegas Convention and Visitors Authority has already put a lot of money into this project. I do not have problems with the Pioneer Program. This bill will put parameters in place for the future of any other toll road.

SENATOR CEGAVSKE:

I do not like this bill because I think it is in conflict with the Assembly bill.

SENATOR LEE:

I do not see it that way.

MS. MARTINOVICH:

The Assembly bill is for one specific project. The Senate bill is for any future toll-road projects with strict parameters. The two bills complement each other.

SENATOR CEGAVSKE:

It sounds like you are getting an exemption. It sounds like it affects everyone except your pilot program.

MS. MARTINOVICH:

We did not want the part with the existing lanes to kill the Pioneer Program.

SENATOR CEGAVSKE:

You cannot use existing roads according to the Nevada Constitution, unless the money goes to the people. I have a problem using existing roads paid for by the taxpayers. I am opposed to using the existing four miles.

DAN MUSGROVE (Vice President, Government Affairs Group, McDonald Carano Wilson, LLP; National Association of Industrial and Office Properties):

The NDOT can figure out how the taxpayers can be reimbursed for the four-mile portion of the highway being used for the Pioneer Program. Senator Lee has set up a structure that would allow the Legislature to oversee the process of toll roads. The Assembly and Senate bills work in tandem.

CHAIR SCHNEIDER:

Are you representing anyone besides the National Association of Industrial and Office Properties?

MR. MUSGROVE:

Transurban was the only one with which we had issues. We did some introductions for them prior to the Legislative Session. They have an interest in Nevada. They are building the Washington, D.C., beltway project, a managed-lanes concept. They would like to build the Pioneer Program. We are

not representing them during the Session. If toll roads do not get into the law, nobody will come to the State to look at PPPs.

SENATOR CARLTON:

Are there any other projects Transurban has done?

MR. MUSGROVE:

They are a global company and I do not know what other projects they have done in America. They are out of Australia and can be located on the Website < www.transurban.com > . They are a construction-management firm that uses local companies at the prevailing wage to work on the projects. They are experienced in building toll-road projects.

SENATOR CARLTON:

Are they in construction versus the management side of the project? Do they just build them?

MR. MUSGROVE:

Yes, they just build them.

SENATOR CARLTON:

Do you know if any of their affiliates are in management or operations?

MR. MUSGROVE:

I do not know.

SENATOR CARLTON:

Do you know if they are associated with the folks at yesterday's meeting?

MR. MUSGROVE:

I do not know.

SENATOR NOLAN:

We do not have the same opportunity the Assembly had yesterday observing the Pioneer Program presentation and the PPP. During the 2006 interim, the Governor put together a blue-ribbon panel to look at PPPs. I was among 40 people on this committee, including people from private and public sectors, to look at the PPP. The National Conference of State Legislatures put a PPP committee together with representatives from 14 different states. These

projects are happening all over the world. Nobody likes toll roads. These are not toll roads, they are toll lanes and this project is an opportunity to provide expanded capacity in our busiest city and through the most congested part of traffic. It would save taxpayers \$1 billion to allow a private firm to come and build this expanded capacity. Every car that uses the toll lane leaves one additional free space open.

The alternative is to raise the gas tax by 25 cents per gallon to do a billion-dollar project. The General Fund deficit is close to \$4 billion and the Highway Fund deficit is close to \$4 billion. I do not like toll roads; I do not even like toll lanes. A toll road has a drive-through booth in each lane or toll sensors and becomes a revenue highway while toll lanes add additional capacity in one lane. The issue is raising taxes if we do not do this.

SENATOR CEGAVSKE:

Are you saying that raising the gas tax will make up that amount of money to build a toll lane or toll road? There is no way a toll lane or road will make up the difference based on the information we received yesterday. We do not let a private entity build on taxpayer roads.

SENATOR NOLAN:

We may differ when it comes to public assets, but we have a responsibility to utilize public assets to the highest and best use, even if it means doing something to add capacity as opposed to gridlock. If we do not fund our highways, we will sit in gridlock. We do not have to do this project, but six years down the road, if we do not find a way to fund our highways, we will need \$3 billion from somewhere or have to increase the gas tax. Gas tax will have to increase a lot in order to add additional lanes to increase the capacity. Every other state is doing these projects, but Nevada does not have to do it.

SENATOR CEGAVSKE:

I just do not understand. If I agree with the parameters, I will not agree with the exception. You cannot use taxpayers' roads. If you give them four miles now, what next?

MS. MARTINOVICH:

The exception was on the lanes. The rest of the bill regarding the oversight, the prevailing wage and the Commission that will set the tolls will be incorporated

as part of our project. We could move forward with our demonstration project without utilizing the HOV lanes

SENATOR CARLTON:

The land used to build these toll lanes or toll roads belongs to the people of the State that I represent. They have acquired the right-of-way, time and effort has been put into it and this ground belongs to us. The hardest part of building a road is getting the right-of-way and dealing with the people living around the highway. It is a huge endeavor to put down one mile of road. I do not want to talk about the road; we need to talk about the ground that belongs to the State that is going to be sublet to these PPPs. The people of Nevada who have been through the effort of having these roads built are going to get charged for using the road.

MS. MARTINOVICH:

The property and the lanes will still belong to the State. The citizens will be paying for the reliability. They will have the choice to use those lanes to get to where they need to go in a reliable time. They can choose not to go and sit in those congested lanes. If they are willing to pay to get into those toll lanes, they are buying time. They are still our roads, we still paid for them and they are still there. People can still use them or they can pay to have that reliability to get to work or to get home expediently. One example in our survey pointed out how it would cost another \$20 picking up their kids from day care if they were late. You can get there quicker using the toll lane and saving that expense. We are not giving up our infrastructure.

SENATOR CARLTON:

They are going to have to pay for reliability that we should be providing for them, anyway.

MS. MARTINOVICH:

We cannot provide it for them because we do not have the money to add the additional capacity these lanes will add.

SENATOR CARLTON:

I respectfully disagree with the Director.

CHAIR SCHNEIDER:

Transurban financial shows a tight relationship with Macquarie Infrastructure Group (MIG) and Macquarie Bank ([Exhibit H](#)). They have formed a joint agreement and they are co-mingling their money. For more information go to <www.macquarie.com.au/au/mig/news/20031216.htm>. In Senator Lee's amendment, the chairs of the Assembly Committee on Transportation and this Committee are on the committee to review the toll roads. Final approval by the Legislature is crossed out on page 2, line 5 of the proposed amendment. I would like to bring any agreement back to the Legislature to have more eyes look at it for approval. It can either be brought back to the Legislative Commission or to this Committee.

SENATOR LEE:

I do not have a problem with that. Director Martinovich said they could go ahead with the project without the four miles. The main object of my bill is the oversight. It is still our property and we would not lose anything we already had.

MS. MARTINOVICH:

It will kill any opportunity for PPPs if we go through all the checks and balances with our Board of Directors of NDOT and then have another level for them to go through.

CHAIR SCHNEIDER:

Are you against my verbal amendment?

MS. MARTINOVICH:

I am against the verbal amendment.

CHAIR SCHNEIDER:

Are you against the amendment to bring it back for the final approval of the Legislature?

MS. MARTINOVICH:

Review is fine; approval would be a challenge.

SENATOR TOWNSEND:

I want to help the transportation challenge in southern Nevada. However way my colleagues want to handle this traffic problem is fine with me. It is their

community. When was the last time your Regional Transportation Commission of Clark County (RTC) went for a gas-tax increase?

MS. MARTINOVICH:

The last gas-tax increase was in 1993. It went up 18 cents a gallon for both the federal and the State allocations.

SENATOR TOWNSEND:

With Washoe County's bill in the Senate Committee on Taxation, how much difference will Washoe County's tax be than Clark County's tax?

MS. MARTINOVICH:

I do not know what amount they are proposing to raise. They are applying an index-based tax for Washoe County.

SENATOR TOWNSEND:

Is that 2.25 percent?

MS. MARTINOVICH:

Yes, but it could go up to 7 percent on some of it.

SENATOR TOWNSEND:

Depending on a consumer-price index (CPI), there is the construction CPI.

MS. MARTINOVICH:

Based on a certain analysis.

SENATOR TOWNSEND:

Has there been any discussion in Clark County by the RTC and its members about raising the gas tax?

MS. MARTINOVICH:

They had discussed it before the Legislature began, but chose not to go forward with it.

SCOTT YOUNG (Committee Policy Analyst):

For the record:

I certainly don't want to indicate that there is anything definitive.
All that we have found is that there appears to be some type of

joint agreement, one or more, between Transurban Group and Macquarie Investment Group and Macquarie Bank Limited. And that it involves a joint agreement that they have and there are some terms of the agreement that are very sketchily listed. The one thing that might be of interest is it mentions the MIG which we heard about yesterday from Mr. Peters, which is part of the Macquarie Group of companies. About the only thing we could say at this point, is that there does appear to be some type of contractual connection. And one other piece of information is that these agreements, we were just now looking at on the Internet, involve the Transurban group and the Sidney Roads Group. And the Sidney Roads Group, according to something from their Website, indicates that they hold investments in three established toll-road businesses located in Sidney. Sidney Roads Group was established following a divestment by Macquarie Infrastructure Group of its Sidney Roads. So, at some point there has been a connection with Macquarie in the past, at least with some of these contracting groups in these joint agreements. Thank you.

This can be found in ([Exhibit H](#)).

SENATOR LEE:

There is a bill in the Assembly that is doing all the work on the Pioneer Program. I would be willing to work with Director Martinovich on the Assembly bill and pull the section out of my bill. Would the Committee be more comfortable if I pulled out the Pioneer Program?

SENATOR CEGAVSKE:

On page 2, lines 18-22 and on lines 3-7 on page 4 [Exhibit F](#), I would like you to remove those two items.

SENATOR LEE:

Line 18, section 2?

SENATOR CEGAVSKE:

Go to page 2 on your proposed amendment. Take out section 2, subsection 5. Then go to page 4, section 7, subsection 6.

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SENATOR LEE:
Would this also cover Senator Carlton's desire?

SENATOR CARLTON:
No. I believe these corporations are so smart and could do so many things; we would answer for it for ten years.

SENATOR CEGAVSKE:
Section 7 would have to be removed to alleviate the problem. Section 5 needs to be kept in to agree with the constitutionality of the bill. I still have angst about it.

SENATOR LEE:
If that is the desire of the Committee, I will amend my amendment to remove section 7.

SENATOR NOLAN:
When we get the Assembly bill, the presentation will give us a chance to look at this project in detail. Our questions should be answered. The proposed project is in the best interest of the State. We can always amend the statutes in the future.

CHAIR SCHNEIDER:
The motion is to amend and do pass with the deletion of section 7 of the amendment.

SENATOR TOWNSEND:
If we take out section 7, will that be dealt with in the Assembly?

SENATOR LEE:
Yes. There is work to be done. The umbrella will stay in place but section 7 will be out of the way. If it passes in the Assembly, we will have a demonstration on it.

SENATOR LEE MOVED TO AMEND BY REMOVING SECTION 7 AND DO
PASS AS AMENDED S.B. 206.

SENATOR NOLAN SECONDED THE MOTION.

THE MOTION CARRIED. (SENATOR CARLTON VOTED NO.)

* * * * *

SENATOR NOLAN:

Shirley J. Ybarra is here to offer some perspectives because she was the former Secretary of Transportation for the Commonwealth of Virginia and also served as senior policy advisor and special assistant for policy for the U.S. Secretary of Transportation. She has appeared before numerous state transportation committees on the issue we talked about today ([Exhibit I](#)).

SHIRLEY J. YBARRA (Senior Transportation Analyst, Reason Foundation):

As Deputy Secretary of Transportation in Virginia, I authored the Public-Private Transportation Act of 1995, [Exhibit I](#). I now serve as a Senior Transportation Analyst for the Reason Foundation. Reason Foundation is a think tank established over 40 years ago. We do not lobby, we do not consult or take government money. We have followed PPP for a long time. The first study done on managed-lanes issues was done in 1988 by the founder of the Reason Foundation, Bob Poole.

The Greenway was established in 1988 under a separate act. It is a private road regulated as a public utility. It is not a PPP. That road was recently purchased by Macquarie as a private road. The bill passed in 1995 is still considered the model bill because of its flexibility. It was passed by a Democratic legislature in both houses and a Republican Governor. Virginia has been successful because of the consistency of that bill. There have been improvements, but no changes in how the bill works.

Every state in the Nation is facing a significant funding crisis on their transportation funding. Many states are looking at PPPs. Even with Virginia's long history of experience, this does not replace the traditional projects. It simply allows delivery of a big project sooner.

The first capital project was a toll road called Pocahontas Parkway. If we had waited for the traditional funding, we would have seen that road 20 years later. We were able to do that project sooner because of the PPP.

The Virginia attorney general's office is a source for departments that cannot hire their own attorneys. We are in our 15th year dealing with PPPs. There are

many firms that work only for state entities. In 1995, we went to our traditional bond financial advisors and they were good.

We are seeing a significant amount of money accumulated and ready to start projects. They are doing these all over the world. There are only five states doing PPPs that have a good bill allowing them to move a project forward. The private companies are interested in coming in to these states because they have a known process. It has a start, it is open, it is successful to them and they know what the rules of the game are, even in competition.

States requiring legislative approval have never had a proposal move forward. Uncertainty does not make it worth the company's time to put the proposals together. The proposals cost millions of dollars. This is not just a signature on the bottom line of a low bid. These are complicated proposals. It is not worth doing the proposal if there is a chance it may not happen.

Why did the Virginia Department of Transportation (DOT) not do the roads ourself? We had a state debt capacity. We could not exceed our limit and I could not get on the list for the bond issues because there are universities and schools and a number of other things with higher priority. We could not get the bond even with toll revenues backing it. I would not have been able to build it sooner than 20 years

The demonstration project has two or three managed lanes, called high-occupancy toll (HOT) lanes, high-occupancy vehicle (HOV) toll lanes. We have seen, over the years, the HOV lanes not being utilized for any number of reasons and there is always this excess capacity sitting there with free lanes right beside them. We have seen a number of these projects in California, Colorado, Texas, Washington State, and Minnesota. Florida just opened one with great success. How do these work? If you have two or three HOV lanes, and if you are in an HOV lane, you can still run for free. Busses and vans can run on it. When a HOT lane is instituted, an opportunity presents itself for a guaranteed time. If you are a mother in a single-occupant vehicle going to the airport or a dad picking up the day-care kids, you need a guaranteed time and you are prepared to pay a toll. You may do it once a week or you may do it once a month. We have seen, through statistics, these various toll-HOT lanes begin to look like the free lanes. Every time you can take somebody off the free lane, somebody wants to pay a toll, resulting in freer-flowing regular lanes. These are controlled electronically, so it never gets too crowded in the HOT

lanes. They have to meet a minimum speed, set by federal rules, and they usually exceed that speed.

Virginia is building two lanes in each direction on the beltway. These are going to be HOT lanes. There is another project starting from the Pentagon south to Richmond still under negotiations. Transurban is the constructor of the HOT lanes on that beltway. It is financed in combination with Transurban, Virginia DOT and the federal government's Transportation Infrastructure Finance and Innovation Act of 1998. These are highly complex projects with a PPP. There are a lot of protections built into the agreement and it exists because the way things are operated and are in control. Nevada would do well to add a PPP tool to NDOT's toolbox, to Nevada's toolbox. This is a competitive situation because other states are doing it. Not all of the states are able to do it yet. They do not have the laws in place. If you can bring in a billion-dollar project for your citizens, a billion dollars can be paid off over time. There is no other way to do it expeditiously and provide a real value to your citizens. The states that get it right are the states that are going to succeed.

CHAIR SCHNEIDER:

These proposals from the PPP are complicated and expensive and that is why I want them to come back to the Legislature for approval. I understand this may slow things down, but I want another set of eyes to look at it because we are spending public resources. There is an expense in dedicating public land and to do environmental studies. I would like Legislative Counsel Bureau, Legal Division and another group of Legislators to be involved.

MS. YBARRA:

Other than proprietary information, the Virginia DOT will post and have available the proposals to the public.

SENATOR TOWNSEND:

Do you still live in Virginia?

MS. YBARRA:

I live in Washington, D.C.

SENATOR TOWNSEND:

There has always been a cultural problem in the West. People in the West have a need to be independent. The East has a defined mass-transportation system.

There are more acceptances of things like toll roads in the East. As we have evolved here, I noticed two different communities. Denver, Colorado, built toll roads going to the airport, out of town, to accommodate traffic, believing people will grow used to the highway. That is what happens in the West. If you build a highway in the middle of nowhere, some developer is going to build around it. Houston, Texas, also built toll roads that were developed in wide open spaces. In Nevada, we have an intense concentration with 70 percent of the people living and working in Clark County. However, 30 million to 40 million people visit each year, increasing the number of people. The issue changes when you do not have the open spaces like Houston and Denver. Our inner-city problem in Clark County has a better relationship to what you are used to working with in the urban centers, like Washington, D.C. How do we work through that situation since we have more in common with what you faced in the urban centers? How do we face the western cultural barrier of not wanting to carpool or ride the bus?

MS. YBARRA:

I want to drive my own car alone. Some people will use the HOV lanes. They move faster than the crowded regular lanes. Adding a HOT lane or a toll option for a single driver gives them the same benefit as an HOV driver when the regular lanes are crowded. A person may not make it to their destination unless they jump into the HOT lane. You have preserved the independence for that person. This is why these projects are catching on. It is also bringing the right kind of concession agreement or long-term lease for the right-of-way. By constructing it now, these people benefit sooner. The bus rapid-transit system is also being funded by the tolls in some of these projects. Park-and-ride lots for the HOVs are being built to encourage HOVs. Having the HOVs and transit systems on this same right-of-way still preserves the right to be independent. They have to pay, but they make that choice. They are paying for the convenience. They are paying for the speed. It is a project I hope moves forward for you. I understand the issues in Las Vegas.

CHAIR SCHNEIDER:

We will open the work session on S.B. 240. Senator Breeden you have a letter and mock-up from the NDOT ([Exhibit J](#)).

[SENATE BILL 240](#): Limits the maximum speed on certain portions of State Route 159. (BDR 43-1072)

SENATOR BREEDEN:

There is an agreement in the letter from NDOT to reduce the speed limit, [Exhibit J](#).

MS. MARTINOVICH:

For the record:

I appreciate the Senator's willingness to work with us. The Department, and you heard testimony previously, had concerns with specifying a certain number as part of the bill and I committed to work with the Senator to reevaluate that speed limit. Not following the 85th-percentile criteria that we have done previously in the past and on other locations, but, as the Director of the Department I can look at other roadways. I can look at speeds along roadways under certain conditions. And with this bill denoting it a safety speed zone, I have the opportunity to then look at the speed along the road looking at the pedestrian and bike activity and the crash history and the animal hits. I have concerns about today, just saying a number, whether it's 45 and then receive an e-mail that someone suggested, "Hey, maybe it seems like 50." Those are, you know, those are all very viable numbers, but they need to be a basis of developing that number, just to protect this State and to make sure that there was some thought that went into it. And so, I commit to you that we will lower the speed limit and then work on what a number that makes sense to enforce the limit, to take into account the bike and the recreational activities. Then, we will also move forward in putting up the signs associated with that and there are some really cool neat signs that we have now that have the flashers above the speed limit, but also have the digital readout of what your speed is. They aren't just the black and white regulatory signs. So, we will put those up in that area, also, as well as other types of some of the traffic-features signs, maybe to address the differences of the terrains and the zones that are in that corridor as well as some gateway signs to let people know that you're coming in and out of a unique situation through there.

One of the other things I am also going to pursue is because of the change of the way that road function, has been functioning, is that maybe it no longer needs to be on the State system. So, I will be

working with Clark County about relinquishing that road, either to the parks or to Clark County and let them take over. The ownership in that provides more opportunities for them to do things that, then, we still need to do, following statutes. So, there is some opportunity in that regard. But, I commit to you that we will evaluate this speed and then, or modify the speed to make the appropriate changes. And then what I would also like to do is look at this over a couple-year period and then report back to you all and that's where there, made that commitment is that we would report back to you through this, either in a committee or through the session to, or through subsequent sessions to let you know what we've done that actually took. And even what our findings are to really substantiate what the activities are that we did. Thank you.

SENATOR BREEDEN:

Did you check with federal funding for redesign?

MS. MARTINOVICH:

So, the items I mentioned are short-term items. We'll also look long term at some of the calming features, maybe there's opportunities for roundabouts or some of the other opportunities. Even, I know that Clark County RTC is pursuing bike lanes through that corridor. We don't have money available to do that, but at least we'll start pursuing it, preliminary designs to set ourselves up, so that if there is money that we can move forward with that.

SENATOR CEGAVSKE:

I have a problem with flashing red lights. It would be all right just in the beginning. I would hate to spoil the scenery.

MS. MARTINOVICH:

"Absolutely, Senator. Is that, those wouldn't be all the time because then you'd have a proliferation and then people would start— so, we would be cautious in where we place those signs."

SENATOR TOWNSEND:

I support the efforts of Senator Breedon. Senator Cegavske made a good point. We sometimes forget the big picture. This area is unique and I would suggest a

colorful and representative sign instead of a boring sign. You should work with the people in southern Nevada and those who live in that community. Try to come up with a sign that is appropriate in size and design that welcomes people to this beautiful and peaceful area and to let people know this is not the Las Vegas Speedway.

MS. MARTINOVICH:

Absolutely, Senator. And thank you, that is an excellent suggestion and we'll work with the component of the bill, especially on those gateway signs. The speed-limit signs are regulatory. We don't have as much option on that. But definitely, I think there's some opportunities on the gateway signs and on some of the other location signs through the corridor. Thank you.

SENATOR BREEDEN:

There will be only one flashing-light sign at each entrance, not throughout the route. Is deleting State-scenic byway from the bill an issue?

MS. MARTINOVICH:

I didn't, I'm sorry, I didn't mean to interrupt. I didn't recommend deleting them, I just, that they would be unchanged. So you would still have your sections 3 and 4 in your bill as they are currently written.

CHAIR SCHNEIDER:

Senator Breedon, are you in agreement with the proposal by NDOT?

SENATOR BREEDEN:

Yes.

SENATOR BREEDEN MOVED TO AMEND AND DO PASS S.B. 240.

SENATOR TOWNSEND SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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CHAIR SCHNEIDER:

There being no further business, the Committee on Energy, Infrastructure and Transportation is adjourned at 10:09 a.m.

RESPECTFULLY SUBMITTED:

Sandra Hudgens,
Committee Secretary

APPROVED BY:

Senator Michael A. Schneider, Chair

DATE: _____