MINUTES OF THE MEETING OF THE ASSEMBLY COMMITTEE ON TRANSPORTATION

Seventy-Sixth Session February 8, 2011

The Committee on Transportation was called to order by Chair Marilyn Dondero Loop at 3:20 p.m. on Tuesday, February 8, 2011, in Room 3143 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. Copies of the minutes, including the Agenda (Exhibit A), the Attendance Roster (Exhibit B), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/76th2011/committees/. In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (email: publications@lcb.state.nv.us; telephone: 775-684-6835).

COMMITTEE MEMBERS PRESENT:

Assemblywoman Marilyn Dondero Loop, Chair

Assemblyman Jason Frierson, Vice Chair

Assemblyman Kelvin Atkinson

Assemblywoman Teresa Benitez-Thompson

Assemblyman Steven Brooks

Assemblyman Richard Carrillo

Assemblywoman Olivia Diaz

Assemblyman John Hambrick

Assemblyman Scott Hammond

Assemblyman Randy Kirner

Assemblywoman Dina Neal

Assemblyman Mark Sherwood

Assemblywoman Melissa Woodbury

COMMITTEE MEMBERS ABSENT:

Assemblyman Joseph M. Hogan (excused)

GUEST LEGISLATORS PRESENT:

None

STAFF MEMBERS PRESENT:

Jennifer Ruedy, Committee Policy Analyst Darcy Johnson, Committee Counsel Mistia Zuckerman, Committee Manager Janel Davis, Committee Secretary Jordan Neubauer, Committee Secretary Sally Stoner, Committee Assistant

OTHERS PRESENT:

Jacob Snow, General Manager, Regional Transportation Commission of Southern Nevada

Mark Froese, Administrator, Management Services and Programs Division, Department of Motor Vehicles

Chair Dondero Loop:

[Roll was called. Rules and protocol were stated.] Today we have two presentations on the agenda, and we will hear our first bill. I would like to start with introductions.

I am Marilyn Dondero Loop representing Clark County Assembly District 5. This is my second legislative session, and I thoroughly enjoyed serving on this committee last session. I am now honored to serve as the Chair. As you all know, Nevada has a citizen legislature. There are 63 members of the Senate and Assembly, and we are not full-time politicians, but ordinary citizens from 63 different walks of life. We take time off from our usual employment as marketing representatives, attorneys, teachers, or ranchers for a few months every other year to represent our fellow citizens. We all come from different backgrounds and have different areas of expertise. When the Legislature passes a bill, it affects every citizen in this state, both now and in the often unpredictable future. I take this responsibility very seriously.

My background is in education. I am a 30-year veteran teacher retired from teaching and sales. I do not expect my Committee members to have great expertise or in-depth knowledge of the many issues we will hear in this Committee, but I will expect them to read the bills and ask questions of the professionals in the field who will be testifying before us over the next few months. I will briefly introduce the Committee members and Committee staff before giving all the members an opportunity to make comments.

I will start by introducing my Vice Chair Mr. Jason Frierson, who may be a first-time legislator, but not a newcomer to the legislative process. Jason was a

frequent audience member at the last legislative session. There are three members who also served previously on this Committee with me. Mr. Kelvin Atkinson, who has the longest tenure on the Committee, served as Chairman of this Committee for the past two sessions. Mr. Atkinson for being on this Committee. Mr. Joe Hogan is also a returning Ms. Woodbury joined this Committee with me last session, and Mr. John Hambrick is also a returning legislator who joined this Committee last session. In the front row, we have Mrs. Olivia Diaz, Mr. Randy Kirner, Ms. Dina Neal, Mrs. Teresa Benitez-Thompson, Mr. Steven Brooks, Mr. Scott Hammond, Mr. Richard Carrillo, and Mr. Mark Sherwood. On behalf of all the returning Committee members, I want to extend a sincere welcome to our new members. I know that all the returning members will assist the new members with the rules and procedures and welcome them to the Committee.

A vital part of every committee is the staff. I would like to welcome our legal counsel, Darcy Johnson, back to the Committee. Ms. Johnson received her law degree from Boyd School of Law at the University of Nevada, Las Vegas where she was a member of the charter class. She has worked in private practice in Las Vegas, clerked for Chief Justice Michael Douglas on the Nevada Supreme Court, and worked for the Office of the Attorney General. Ms. Johnson joined the Legal Division of the Legislative Counsel Bureau (LCB) in 2007.

I would like to welcome Jennifer Ruedy, who will be our Committee policy analyst. Ms. Ruedy has worked for the Research Division of LCB since 2001. She is a lifelong Nevadan. Aside from studying out of state, she graduated from Arizona State University with a bachelor's degree in Spanish and studied in Cuba, Mexico, and Spain. She received her master's degree in international management from the Thunderbird School of Global Management.

The Committee manager who is managing both my legislative office and the Assembly Committee on Transportation is Mistia Zuckerman. She will be assisting in scheduling committee meetings, posting agendas, and a whole host of other activities. Ms. Zuckerman grew up in Gettysburg, Pennsylvania. She graduated from Muhlenberg College with a bachelor's degree in environmental science and international studies. She spent a year studying in Ecuador. She received her master's degree in political science from Lehigh University. She worked in Senator Ben Nelson's office in Washington D.C. and the federal relations office for the University of Pennsylvania. She has worked for the Washoe Tribe based in Gardnerville, Nevada for the last four years and currently enjoys living near Cave Rock in Lake Tahoe.

We have two new Committee secretaries this year. First, I would like to introduce Jordan Neubauer. Ms. Neubauer graduated from the University of

Nevada, Reno with a bachelor's degree in criminal justice. Her background includes working as a biological aid for the Bureau of Land Management and as a human resources payroll clerk for an engineering firm for three years. Next, we have Janel Davis, who will be serving as a Committee secretary on both this Committee and the Assembly Committee on Education. She is a graduate from the University of Nevada, Reno (UNR) with a bachelor's degree in communications and a minor in Spanish, also having studied abroad. Her background includes many years of dance, including dancing at UNR and teaching classes. She is also a native Nevadan who loves to travel and enjoys the great outdoors. Many of you either know her mother, or will get to know her, as Joi Davis has been with LCB's Fiscal Analysis Division for many years.

Finally our Committee assistant is Sally Stoner. This is Ms. Stoner's third session working at the Legislature. She lived in northern California until she retired from Wells Fargo with 31 years of service. She then moved to Carson City to share a house with her sister, and she too loves to travel.

I look forward to working with all of our staff and welcome them. I would now like to recognize any members who would like to make their own introductions or add their own comments. Let us start with Ms. Woodbury.

Assemblywoman Woodbury:

This is my second term in the state Assembly and my second time on Transportation, and I am glad to be here.

Assemblyman Frierson:

I am glad to be here. I am looking forward to working hard and getting us through this session.

Assemblyman Atkinson:

I am representing Assembly District 17, North Las Vegas. This is my fifth term in the Assembly and on the Committee for Transportation.

Assemblyman Hambrick:

It is a privilege to represent Assembly District 2. The Chair and I actually share parts of Las Vegas. Transportation has always been an interest, and I look forward to it. It will be up to the audience to make it fun.

Assemblywoman Diaz:

I am representing Assembly District 11 in Clark County. I have 20 percent or so of North Las Vegas, and I have Las Vegas in my district, so I have a mix. I look forward to learning a lot from everybody.

Assemblyman Kirner:

I represent Assembly District 26, which basically runs from Washoe Valley up to Cold Springs in the north and everything west. I am delighted to be here, and I look forward to the session.

Assemblywoman Neal:

I am representing Assembly District 7. I am a freshman, and I am looking forward to learning as much as I can on the Transportation Committee.

Assemblywoman Benitez-Thompson:

I am from Reno, Nevada and I am just one of the new and enthusiastic freshmen.

Assemblyman Brooks:

I am representing District 19. I look forward to working on this wonderful committee.

Assemblyman Hammond:

I represent District 13 in southern Nevada, down in the Las Vegas area.

Assemblyman Carrillo:

I represent District 18, which is the southeast valley, or southeast part of Vegas or Clark County. I am glad to be here.

Assemblyman Sherwood:

I represent Assembly District 21, which is Green Valley and Henderson. I am looking forward to your leadership on this important committee.

Jennifer Ruedy, Committee Policy Analyst:

Yesterday, the Assembly adopted <u>Assembly Resolution 1</u>. I have passed around this document (<u>Exhibit C</u>). ["Excerpts of the Assembly Standing Rules" document reviewed.] I wanted the differences to be made clear to the Committee. There are also the "Policies of the Assembly Committee on Transportation" (<u>Exhibit D</u>) in front of you. [Document reviewed to the Committee members.]

Chair Dondero Loop:

Thank you. I will accept a motion to adopt the Committee policies.

ASSEMBLYMAN FRIERSON MOVED TO ADOPT THE POLICIES OF THE ASSEMBLY COMMITTEE ON TRANSPORTATION.

ASSEMBLYMAN KIRNER SECONDED THE MOTION.

THE MOTION WAS ADOPTED. (ASSEMBLYMAN HOGAN WAS ABSENT FOR THE VOTE.)

Chair Dondero Loop:

[Rules and protocol restated.] I have asked Ms. Ruedy to provide a refresher to the members on session deadlines and a brief summary of the topics and activities of the Committee.

Jennifer Ruedy:

It is an honor to be working as the policy analyst on the Committee for Transportation. This is my seventh full session working for the Nevada Legislature, but it is my first session working with the Assembly Committee on Transportation. I would like to remind both the Committee and the public that the LCB is a nonpartisan agency, and as a nonpartisan staff person, I neither advocate nor oppose legislation. My role is to assist the Committee and its members in processing bills and finding the information you need to make informed decisions.

Each of you should have an "Assembly Committee on Transportation Committee Brief" (Exhibit E). This is an introduction to the Committee for new members and a refresher for returning members. [Reviewed Brief with Committee members.]

Chair Dondero Loop:

Thank you. Does the Committee have any questions for Ms. Ruedy? [There were none.] Next, we will have a presentation from the Regional Transportation Commission of Southern Nevada. Welcome, Mr. Snow.

Jacob Snow, General Manager, Regional Transportation Commission of Southern Nevada:

I would like to talk about some of the basic functions that the Regional Transportation Commission (RTC) does in the state. There are not that many; one in the North and one in the South. In this slide (Exhibit F), we have some revenue that comes from four primary sources. We get about \$40 million a year from the Federal Highway Administration. I noted that Susan Klekar, who is the State Administrator for the Federal Highway Administration in Nevada, is also here in the audience today. We use that money to fund

roadway construction in southern Nevada. There is also a 9 cent per gallon motor vehicle fuel tax that comes to the RTC, and we use that to fund roadway construction.

Typically, the types of roadways we fund at the RTC are arterial roadways in the urbanized areas such as the Valley Views and the Cheyennes, the Spring Mountains, or the Galen Roads. We are partnering with the state on major freeway projects, as we have progressed and evolved in our roles over the decades. We also receive a half-cent sales tax that comes to the RTC. That used to be \$190 million a year. Now it is down to about \$125 million a year. We receive about \$40 million to \$50 million a year from the Federal Transit Administration. That funds our transit projects with capital money we have coming to us. We use those revenues to fund construction projects. I would like to point out that the RTC is a very small government agency and only has a few hundred employees, but only 3 percent of our budget goes to support salaries and wages. Almost all of our revenue goes out to the private sector. We focus on job creation, which is a very important role, especially now.

Legislatively, however, we partner with the Nevada Department of Transportation (NDOT) to operate the freeways in southern Nevada, and we also operate the traffic signals as part of our traffic management role. We are also the mass transit provider in southern Nevada.

A government acronym that we use, metropolitan planning organization (MPO), really represents a transportation planning commitment that the federal government has placed upon us. I would like to talk in detail about these three roles and what we are doing in regard to our partnership with the state as we deliver transportation infrastructure.

One division of the RTC is called the Freeway and Arterial System of Transportation (FAST). This is a rather unique agency. In most communities, freeways and roadways are managed separately, usually within each city, county, and state department of transportation having their own management center and staffing it with their own employees, and never the twain shall meet in the middle to cooperate.

In southern Nevada, the state has contracted with the RTC to operate the freeway systems for them, and we also operate the traffic signals on behalf of the local jurisdictional entities. We view it as one system. For instance, if there is an accident on the freeway, and we need to direct traffic on to the surface streets, the same people who are handling the freeway system are handling the surface streets. We will adjust the traffic signal timing in the corridors around the freeway, so we can try to move as much traffic as we can even under some

adverse circumstances while getting that information out to the pubic as quickly and effectively as possible. We take a regional approach in that. There are a number of tools that NDOT has on the freeways to help us with that.

We operate the ramp meters on the freeways in southern Nevada. I mentioned the timing and the coordination of the traffic signals, but we also operate the dynamic message signs and traffic cameras along the freeway networks. I think many of you have seen those dynamic message signs, which give information out about how long it is going to take to get to your destination, and we also broadcast that information on the Internet as well. You can see the area with the most extensive network of these traffic cameras and dynamic message signs that are on the resort corridor along Interstate 15 (I-15). This stretch of freeway is very critical to our economy. It is where we have most of this investment that occurs. Electronic devices will alert someone when there is a major incident or accident on the freeway system that can be verified by our technicians and the traffic management center by looking at one of these cameras. They are collocated in a state building down in southern Nevada, and the highway patrol is also in the very same building; their dispatchers are right next to our technicians in this traffic management center.

We send out alerts to the public so that they can either get them by a text message or email, or via both if they choose. They can get information in real time about traffic incidents on the freeway and can plan accordingly. We now have more than 1,300 subscribers to this service, and that is growing every day. We know the feedback we get from the public about these services is that they think it is one of the most crucial things they benefit from.

We can also graphically display how well the freeways are moving and operating in the Las Vegas Valley in real time. You see a map here (Exhibit F) where there are green lines on many of the roadways as you go through town. That is I-15 going from north to south and Interstate 515 and U.S. Highway 95 going east to west. You can go on to our website at www.rtcsnv.com 24 hours a day to access information about how well the freeways are moving, and you can see it displayed in a dashboard format.

Recently, we participated in partnership with NDOT on an express lane improvement project on I-15. That project has been completed. Providing those express lanes through resort corridor does a couple of key things. We reduce the amount of lane changing by essentially building a freeway within a freeway, and we separate the through traffic from the local traffic, and that has not really had a huge impact on the performance of that freeway. We added one lane each way, but we added barriers in between the express lanes for the through traffic and for the locals.

We actually have some very smart people that work at our agency and to call them geeks is somewhat of a compliment. They do nothing but spend their time on focusing how they can improve the performance of our freeways and our arterials in southern Nevada. They have gone through and quantified the benefit in travel flow that has occurred because of the I-15 express lane project. [Referred to PowerPoint map in Exhibit F.] The red line is on a 24-hour basis. You can see a peak in the morning hours where the red line dramatically goes up with that spike, and then it goes back down toward noontime; then in the afternoon there is a huge spike of about four and a half minutes of average delay per car. That was before the express lanes opened. After that project was opened, you can see where the delay went down significantly with the green line. Those of us who have driven on I-15 since that project has been completed have seen the benefit.

I will move on to our next major role, which is to be the mass transit services provider in southern Nevada. According to the Federal Transit Administration, which operates the National Transit Database, the RTC is the most sufficient and cost-efficient transit provider in the country. We do that because we contract out all of our mass transit services to the private sector. We rebid those contracts regularly, so the market is allowed to determine the price for that service. We have been very effective in keeping the prices low, which makes us the most effective and cost-efficient in the country.

We launched our mass transit system in December of 1992. We have a very young system with the newest and most attractive bus fleets in the United States. Last year, we had about 55 million passengers. In recent years, we focused on speeding up the service of our transit system by launching these new express services. I think many of you have seen these vehicles in the southern Nevada area. Those of you who reside in the southern Nevada area can see that we have platforms and stations with ticket vending machines where you can purchase your ticket in advance. That way when the vehicle pulls up to the platform, you do not have to wait to get in line to show your pass; you can just go. This system is very much like a light-rail system, with passenger platforms, ticket vending machines, dedicated lanes, and some faster vehicles. We have had a lot of success in doing that.

We have chosen to build a network of these express transit routes and the routes designed to connect the places where people live in southern Nevada to the place of their employment: key employment areas such as the Strip and downtown. We have also built a number of transit centers and park-and-ride lots to make accessing those services easier.

I mentioned that one of our roles is in job creation. I would like to make a report to this Committee on how we spent the stimulus money we received for transportation. We had a total of \$33.6 million in transit projects that came to the RTC. With that, we built three park-and-ride lots and three transit transfer terminals: one in downtown Las Vegas, where the Bonneville Transit Center is; a couple in the northwest part of Las Vegas, where the Centennial Hills Transit Center and Park & Ride are; and the Westcliff Transit Center and Park & Ride are now open and operating. We created 2,074 jobs just from these three projects alone.

We are also using stimulus money to build a new express transit route on Boulder Highway. This line will lead downtown Las Vegas with downtown Henderson; it is under construction now and will be completed later this year. This will speed up the transit time in this important corridor. You can see one of the stations and platforms from the express route that is under construction along Boulder Highway depicted here. [Referred to Exhibit F.] Now 2,398 jobs either direct, indirect, or induced are the greatest part of this project, and we are very pleased about that.

This was from the first round of stimulus projects. There was a second round that came a year later. These were not given out via formula to the state's These were given out competitively. We were the only municipalities. transportation entity in the State of Nevada that was selected for this particular type of grant. It was called a Transportation Investment Generating Economic Recovery (TIGER) Grant, which was for the Sahara Express Bus Rapid Transit Improvement Project. This project will create bus-only lanes along Sahara Avenue from Hualapai Way to Boulder Highway and will also improve traffic signals in this corridor. We are using the existing breakdown lane that is already in Sahara; we are not taking away any active travel lanes, but we are providing a dedicated transit lane. I will show you in this picture. This is Sahara Avenue right along the Valley View area, and you can see the beloved Statue of Liberty that is there; you can see those breakdown lanes, which are essentially the first lanes on each side of the street closest to the sidewalk, and you can see those lanes are vacant and not being utilized.

After we are done with this project, which is just under construction now, this is what it is going to look like [referred to picture]. We are widening the sidewalk, so we get a 10-foot sidewalk on both sides; we are raising the median and planting trees; and we will have a lot of additional landscaping that is going in with street trees on both sides of street. There will be dedicated lanes for the transit vehicles, and we are also improving the stations and platforms where people will wait for the transit vehicle. We are very excited about the

transformational potential of this project. We hope that you are excited about it too.

We competed successfully for this project against 1,000 other projects nationwide. We are getting \$35 million from the federal government for it; we were the only project in Nevada that was selected. There have been 55 jobs created to date. By the time it is through, we think there will be a total of almost 500 jobs created from this project.

Moving on to our third role, the federal government requires that the state designate urbanized areas that have a population of more than 50,000 to do transportation planning. Any money that comes from the federal government through Ms. Klekar's organization, the Federal Transit Administration, to do transportation planning goes to these organizations we call metropolitan planning organizations (MPO). In the north, it is the Washoe County RTC and the Carson City MPO; down south, it is the RTC of Southern Nevada. We do transportation planning and if anybody, whether it is NDOT or the Federal Highway Administration, wants to spend federal transportation dollars, it must go through the RTC's transportation planning process.

We have never turned down any money from the Federal Highway Administration, the Federal Transportation Administration, or NDOT if they are proposing to spend it in southern Nevada. We have a very collegial and cooperative relationship with NDOT, and that is not too typical. Many times in other places around the country, those relationships are really poor, very fractious, and contentious, but we have—largely thanks to Sue Klekar and Susan Martinovich—been able to maintain very good relationships, and we look forward to maintaining those in the future.

We also received stimulus money for roadways, and that came to us through the Federal Highway Administration. We had \$39 million for roadway projects, and we used that money because we wanted to spend it quickly on pavement preservation projects and maintenance. We had 20-plus construction projects throughout the valley and even in some of the rural areas, and those created 1,600 direct, indirect, and induced jobs.

I want to speak briefly about our Capital Improvement Program. You can see a bar chart on here [referred to $\underbrace{\text{Exhibit } F}$] that shows the amount of money coming from our gas tax program and our sales tax program to support roadway and transit projects in southern Nevada. You can see that over the years, we have had to cut out a lot of money from our capital programs and that is mainly because those revenue sources, with the economy, are just not there to support the program.

Since 2007, we have cut \$1.4 billion from our five-year Capital Improvement funds We had the infusion, however, of Program. some from Senate Bill No. 5 of the 26th Special Session that came into this program last year, thanks to leadership at the Nevada State Legislature. During the special session, this bill allowed the RTC to take an existing form of revenue we had coming to us. It was an eighth-of-a-cent sales tax that was set to expire around the year 2028, and because we were able to eliminate that sunset provision in that form of the sales tax, we are now able to sell bonds immediately. We are able to bond \$170 million of roadway projects. All of those projects are out to bid or in the process of being constructed, and some are completed. We want to make a report to you on the progress we have made on that bill and thank you for your assistance and your leadership in job creation and getting the economy going again.

These projects underway now are expected to generate about 2,000 private sector jobs, and that was an estimate made by Mr. John Restrepo, whose name I think many of you are familiar with. There is a map on your screen (Exhibit F) that shows all of the 38 or so projects that were created by revenue from S.B. No. 5 of the 26th Special Session. One of those is a rebuild of Exit 120 Interchange out in Mesquite, Nevada. The other large red circle is the Bruce Woodbury Beltway 215 Interchange with North 5th Street in North Las Vegas, and both those projects are underway.

We also have the design for the interchange between U.S. Highway 95 and Bruce Woodbury Beltway Interchange out in northwest Las Vegas, which is underway. We have a large number of maintenance projects, which are what you see in blue (Exhibit F), and we also have a number of intersections that we are doing maintenance and additional capacity improvements on in various parts of the valley. There are also a number of other maintenance projects involving additional payment preservation and reconstruction of roadways.

All of the projects you see with the red lines [referred to slide] are actual construction projects that are underway. Unless we have projects where we are also creating jobs for the engineering sector of our community, we cannot be ready to get roadway projects going unless those projects are designed, on the shelf, and ready to go when revenue becomes available. In cooperation with our member entities, which are all the cities in Clark County, Henderson, North Las Vegas, Mesquite, Boulder City, and the city of Las Vegas, we cannot perform immediately like we did on S.B. No. 5 of the 26th Special Session unless we have these projects ready to go. So, the projects you see in yellow are all projects that have been designed.

I want to show you some proof of the work that has actually been done. The first projects to get done with the bill money were done in Boulder City, Nevada. You can see there were a number of projects that were recently reconstructed, such as Adams Boulevard, Georgia Avenue, and Veterans Memorial Drive; and that is why the pavement on those roadways looks so nice and new. There are also a number of design projects underway in Boulder City. The Galleria interchange construction project is one of three projects under way right now in Henderson. In North Las Vegas, I mentioned the North 5th Street interchange with the beltway, and this is actual work from that (photo from Exhibit F). There is some flood control work taking place as well. There is an additional portion of that project going out for bid this month that is being funded with some money from the bill and some other money we have to make that ties in across the freeway and extends North 5th Street over I-15.

There is another roadway maintenance project on Fort Apache Road near Alexander. Moreover, <u>S.B. No. 5 of the 26th Special Session</u> will fund major work on Valley View Boulevard and Jones Boulevard, from U.S. Highway 95 to Desert Inn Road. We are doing some widening in the roadways there. Here is another maintenance project (photo from <u>Exhibit F</u>) along Cheyenne Avenue near Fort Apache Road; we have some additional construction maintenance, this one on Russell Road down in Henderson.

We have worked very quickly to spend this money; all of the money is obligated, and all of the projects are underway. The list of projects we have, however, is very great. The high-priority projects are in red, additional RTC projects in blue, and NDOT roadway projects in yellow (Exhibit F). In total, we have about \$8 billion of work that we think needs to be funded. Just to list some of these projects that we think are high priorities: completing the beltway to full freeway standards, building the first phases of Interstate 11 in Nevada, and deploying what we call Intelligent Transportation Systems, and these are traffic cameras, the dynamic message signs, the radar installations that tell us how fast the traffic is moving, the ramp meters, et cetera.

The projects that NDOT has identified as priorities include Project Neon, which is adding capacity to the Spaghetti Bowl interchange in Las Vegas and I-15 North from Craig Road to the speedway; improvement of Interstate 515; and additional widening of U.S. Highway 95. If we had the revenue to build only the highest priority projects—not everything on our list—that would create almost 94,000 jobs. We think we have an excellent track record of using the funds that you have directed to us to get out to the private sector right away and create thousands of jobs.

We received money from <u>S.B. No. 5 of the 26th Special Session</u> and we created zero government jobs from that money, but we created several thousand private sector jobs, both in the designers and in the construction industry for that type of employment. We have a good track record of delivering on that important role, especially in this economy. We are ready to deliver again.

With that, I would like to finish my testimony talking about two of the critical areas of importance we see for southern Nevada's economy and overall future as we try to connect to the rest of our country. This is a picture (from <code>Exhibit F</code>) that is taken down by Hoover Dam, and this is U.S. Highway 93 just as you cross from Arizona to the new Hoover Dam bypass bridge into Nevada. You can see the traffic that is coming into Nevada that is locked in a big traffic jam. This picture (another from <code>Exhibit F</code>) is of an interchange where people will get off of U.S. Highway 93 to go back down to the Dam if they want to take a closer look, go to the visitor center, or actually walk from the parking lot up to the new bridge.

Since this new roadway was opened back up to trucks on this route, we have seen a number of transportation problems, and I think it would be simple for us to point the finger at the trucks for creating this congestion, but that is not the case. The trucks are just one factor; we now have about 1,200 trucks per day that are using this route. Because there is so much of a tourist attraction from the bridge itself, we are seeing a lot of additional traffic on this particular route.

One of the biggest problems is, once you get into the Nevada side, there is in essence a four-lane highway that goes down to one lane each way. It really is a bottleneck and choke point of traffic, and it is this way for quite a bit of the way as you go up that steep hill to Boulder City. This is a big problem on the reliability of that roadway. About 11 percent of all the tourists who come to southern Nevada come from Arizona, and of that 11 percent, 90 percent of them drive. Almost all of those drivers are on this road. It is not like this all the time; Mondays, Tuesdays, and Fridays tend to be the most problematic days from what we have been able to measure, and this is not a nighttime phenomenon, it is a daytime phenomenon. What we have here is a real lack of reliability on this road, but we are going to consistently see the problem on weekends and holidays especially. The message we are unfortunately sending to Arizona tourists is "you are not welcome in Nevada," and that is a message we cannot afford to send right now.

What I want to show you next (photo from Exhibit F), and this has been referred to by many people as the Boulder City Bypass, is a solution to this problem. I do not like to call it the Boulder City Bypass because in my mind, it has never been just a bypass around Boulder City; it has been part of a much more

important transportation artery that connects much of Nevada to the rest of the country. There is a blue road that goes to the south of Boulder City, and you can see where it intersects with that yellow line by the Hoover Dam Bypass at U.S. Highway 93. This would be a two-lane freeway each way that has been designed and will be built in accordance with interstate standards. The environment impact statement for this project has been completed for quite a few years now. We have been working in good faith on this with NDOT and the Federal Highway Administration for years in anticipation of what you will see on the next slide, which is Interstate 11 (I-11).

I have been working with my counterpart in the greater Phoenix area on this for quite some time: the Maricopa Association of Governments. The director is Dennis Smith, and the association has been doing transportation planning as well. It is also a part of a metropolitan planning organization (MPO). We have been working with Lee Gibson, my counterpart here in the north, MPO Executive Director for Washoe County RTC. The idea is to take I-11 and not just connect Phoenix and Las Vegas, which for the record are the only two cities in this country with a population of more than a million people that do not have interstate highway service, and they need to have that service.

It is even bigger than that as you will see because we have been joined by other states in this transportation planning process. It is not just Phoenix to Las Vegas. It is taking the route of U.S. Highway 95 up through Nevada all the way through Oregon and to Washington; we are essentially connecting Mexico and Canada with the interstate system in a new north-south alignment. Interstate 5 on the West Coast is tremendously over its capacity. This is a project that would connect Nevada to the rest of the country, and that is why we think it needs to rise in importance in priority, not just on our list, but on the state's list of transportation projects and on the federal government's list of transportation projects.

I was recently told by United States Senate Majority Leader Harry Reid that he was going to work on getting together all of the congressional delegations from those states I have mentioned to work on an authorization for Interstate 11 to be placed in the next federal transportation bill. Legislation will be discussed by the U.S. Congress.

The last thing I want to tell you about in speaking of being connected to the rest of the country is a subject called high-speed rail. Before you, there is a map of the state of California (slide in Exhibit F). The line in blue represents California's plan for high-speed rail, which would be 225 miles per hour (mph) trains, steel wheels on steel rail. They have already passed their own valid initiative that will raise about \$10 billion to help build this system. They have

also received several billion dollars in federal support to help build this system, which would go from Sacramento where the state capital is in the north, down to the Imperial Valley where a spur branches off to serve San Jose and San Francisco, and all the way down to southern California, Los Angeles (LA), and San Diego. Please note, as you get close to the LA area, one of the cities you would be going through is Palmdale, California. I mention that because there is also a black line on this map, which is the route for the proposed DesertXpress high-speed rail project, connecting Las Vegas with Victorville, California.

Many people have expressed concern that a high-speed railway between Las Vegas and LA is really what is necessary and in order. There are problems with the Las Vegas to Victorville link, especially when it comes to a lack of ridership. People in their cars are not going to fight all the way through the LA Basin and go up the Cajon Pass on I-15 just to park their car in Victorville and then get on a train. Largely, the congestion is much less once you get out of Victorville.

These groups that we call MPOs, we actually have been working together on a regional basis for several years, and we formed a group called the Western High-Speed Rail Alliance. We have been working on getting money, not just for I-11, but for high-speed rail in the inner-mountain west. It is made up of Phoenix, Salt Lake City, Denver, Reno, and Las Vegas all working collectively on transportation planning. Just this year, we received our first million-dollar grant from the Federal Railroad Administration to fill in that gap you see between the green line and the blue line (slide in Exhibit F), which was to study how we could extend high-speed rail from Victorville, California over to Palmdale, where we could connect into the system that California is building. Not only does that provide us with a connection for high-speed rail to southern California, it provides a connection to all of urbanized California.

Today, the President announced his plan over the next six years to spend \$63 billion for high-speed rail. His proposal will be debated because the transportation bill, as I mentioned, is going to be debated in Congress. [Introduced Tracy Bower, Director of Government Affairs for RTC of Southern Nevada.]

From a Nevada standpoint, we cannot afford to be left off the map for what is going to be the equivalent of another interstate system for transportation in this country. There is too much at stake economically when much of our economy depends on bringing visitors to Las Vegas; there is too much to risk by not being a part of that system. We are very pleased that we are actually being recognized. The U.S. Secretary of Transportation came and announced this to us. We are glad that we are on the radar screens of the feds as we go forward.

The last slide I have to show is our alliance. The light blue lines you see (Exhibit F) are the corridors of the United States that have been designated for high-speed rail. We cannot afford to be left off of that map. We are working in cooperation not just with our state Department of Transportation, but with MPO and other transit agencies in our region, so we can work more effectively at the federal and state levels.

Assemblywoman Neal:

I thought the presentation was very good and thank you for the detail. What will be the impact of high-speed rail on the car rental tax revenue of which 9 percent goes to the General Fund? What is the proposed revenue that will offset that impact? Have you quantified that?

Jacob Snow:

For people who are driving to Las Vegas, they have their own car. Ninety-plus percent of the forecasts that have been done for high-speed rail coming to Las Vegas show that they would be taking a car off of I-15. The people that are going to fly are still going to fly. While we do not have the detailed analysis of what that would do to rental car revenue and the money that comes to the various places that the taxes from rental car revenue goes, I do not think there will be any form of a significant impact to rental car revenue from high-speed rail when it comes in. There will be some, but I think it is going to be very minimal.

Assemblywoman Neal:

What are your future plans for bus stops in North Las Vegas, specifically on Cheyenne Avenue, Martin Luther King Boulevard (MLK), Simmons Street and Cheyenne, and Lake Mead Boulevard and Cheyenne? There are a lot of people sitting on rocks or standing against a pole; I have seen them at night, and you can barely see the people.

Jacob Snow:

We have about 4,500 bus stops and there are only about 1,000 of those that have a shelter, bench, or an amenity associated with them. In the past, those have all been the property of a private sector company who builds them and puts that infrastructure out there in exchange for the ability to advertise. There have been recent changes in the Legislature, however, that have required the RTC to go out and build more at our own expense. Just this year, we took some of our Federal Transit Administration funds, and we have 150 new shelters that are going out in various places all throughout the valley, and a number of those have already gone into the North Las Vegas area, specifically on Cheyenne and on MLK.

There are some changes coming to Lake Mead. Simmons I believe has some as well, but next year we will likely have a similar number of bus shelters that will be going out. Not every bus stop will have a shelter for several years to come, but we are making some significant progress, especially in North Las Vegas. I do not have all of the specific numbers that I could give you off the top of my head, but I can give you a schedule and a precise location for each one on all of those roads you just named, but I would have to do that at a later date.

Assemblyman Atkinson:

I want to recognize the bus stop shelters that you are talking about in North Las Vegas, and I have seen quite a few go up in the last few weeks and they are pretty neat looking, so I do want to thank you guys for that because I know it has been a long time that we have debated that in this Committee.

On a few slides from your presentation, it says that 1,600 direct, indirect, or induced jobs are created. When you say that, are you talking about permanent jobs or were those jobs for construction for specific projects and now those jobs went away?

Jacob Snow:

Those are not permanent jobs; those were jobs that were related to those particular projects, and we were required to keep track of the jobs that were created this way through stimulus projects, so we actually have them down to the specifics of the job. Many of them were full-time equivalents, many of them were part-time, and some of them were induced due to the purchase of equipment and materials.

Assemblyman Atkinson:

In regard to <u>S.B. No. 5 of the 26th Special Session</u>, because that money is continually being generated, will there be additional jobs created from that bill or more bonding capacity off of the money generated from that? Do you guys anticipate any numbers, or is it too difficult to because it is ongoing?

Jacob Snow:

That is an excellent question. The answer is, yes. There will be additional revenues that will come that we will be able to bond off on later dates. We are probably three years away of doing another bond issue from S.B. No. 5 of the 26th Special Session; it will not be as big as the first one, but we have to assume that revenue source is going to be there in perpetuity at least for as long it is going to take to pay off the bonds. There will be some pay-as-you-go jobs created from that money as well; we cannot bond everything out at the same time there is interest money that accumulates in accounts. We do have the pay-as-you-go program that will begin from the bill,

and that will go on into the future. You could go by the revenues that were created, roughly 2,000 jobs from \$169 million. If you want to extrapolate on that, it is a pretty good figure for jobs right now.

Assemblyman Atkinson:

Do you envision this light-rail system that we keep talking about really coming? I think we need to find a way to somehow connect this valley and I believe in light rail, and I think it is the best way to go in respect to connecting our citizens throughout the valley, especially if we start branching out; I just do not think we are going to move ahead as a state, like other states who have very good mass transit systems, unless we do something like this. We have tried to get people out of their cars, like other big cities, for a number of reasons by creating high-occupancy vehicle lanes and encouraging people to drive together, but until we come up with something like that, I do not think we are ever going to get anywhere. I like what you are doing with the bus system, the one that is running down the middle of downtown, but until we start connecting the rest of the valley—and light rail is the way to do it—I do not see it coming. Do you?

Jacob Snow:

I would just like to state that we have been very pleased with the performance of our bus system. I did mention we are the most cost-efficient in the country. Having said that, Seattle just opened their first light-rail system. It is a beautiful system that connects their airport to downtown Seattle, and they have ambitious plans to expand that. I will also say that I am a fan of light-rail technology.

They spent \$4 billion to build that system; it is carrying 15,000 people a day, which is considered successful. We spent about \$50 million on our bus line that goes in the dedicated lanes through downtown Las Vegas. Almost all of that money was federal. We carry 15,000 people a day just on that one lane. It pays for itself and generates a little extra that we use so that we do not have to completely eviscerate our transit system, like many of the other cities around the country have had to do.

The services on the Strip make about \$4 million in annual revenue surplus, and we estimate this new strip to Downtown Express will generate revenue of \$1 million for us. We have had to use those revenues to prop up the rest of the system, even though we cut it back by eliminating a number of routes and reducing the frequency of the other routes we have. I would love to be able to tell you that we are pursuing plans to build a light-rail system throughout our city, community, and region in southern Nevada. They are very expensive to do, and they need the unanimous support of the business community, and they need to raise significant amounts of new revenues to do so. The federal

government will not let us cut our other programs and focus on light rail. We have to keep afloat everything that we currently operate to do so, and I am sorry to tell you we are not pursuing any plans with light rail.

Assemblyman Kirner:

First of all, I have to applaud you for the big vision. It obviously involves more than just you, NDOT, the federal level, et cetera. Is there any sort of prioritization on Interstate 11 (I-11) versus the high-speed rail system?

Jacob Snow:

They really do not pit those projects against each other because they come out of completely different funding sources by and large, so there is not the competition for funds there. Interstate 11 will come from the 18.4 cents of federal excise gasoline taxes that we all pay every time we pump a gallon of gas into our car; there is money from diesel that goes into that fund and money from the trucking industry that goes into that fund as well. However, that fund is considerably oversubscribed. For the past three years in a row, Congress has had to take money from the general fund to keep the highway trust fund afloat.

Assemblyman Kirner:

I was looking at your numbers, and one of your slides had high priority projects that would yield 93,600 jobs. This is very impressive for today's standard, but I did some math, and it looks like it is about \$1.5 billion of funding, so I am guessing we are not going to have many of those high priority projects any time soon. Is that correct?

Jacob Snow:

We cannot fund any of those new projects at this point in time unless we find an additional source of revenue that we were not counting on: federal, state, or local. At this time, we believe that we should not make any small plans because they do not excite people. We think we should plan big, and we do think there is a bright future ahead of us that we should get ready for. We will need additional revenue to create those jobs.

Assemblyman Frierson:

I wanted to compliment the email and text alert system; I am actually one of those folks who use it. I was curious, however, about the recording mechanism. Did you say it was the cameras?

Jacob Snow:

We do not send out an alert even though we get reports of it. We do not send an alert unless we can actually confirm it by use of the closed-circuit television cameras or from the highway patrol directly. We feel it is important that we

have detailed information we can give out to the public. We get a lot of reports of accidents and incidents, and we do not send out alerts unless there is at least one lane on the freeway that has been closed down due to an incident.

Assemblyman Frierson:

What was the process of deciding where the starting point was for the fast lanes on Interstate 15 (I-15)? There are a significant amount of people that get on the I-15 at Russell Road and it is too late to be able to utilize those lanes once they get on the freeway, so I was curious as to why it started so far south that those folks were not able to use those lanes.

Jacob Snow:

The simple answer is that I do not know the answer to that question. You will have to talk to NDOT since that was their project.

Assemblywoman Diaz:

In these difficult times we are living, cost-effectiveness is important, but I am also concerned about how efficient the bus transportation system is, especially from my constituent's point of view where they have to wait at these routes where you have modified the schedule, and the buses do not pass as often. So do you guys have any sort of feedback from the community in customer satisfaction as far as how efficient it is, not necessarily how cost-effective it is?

Jacob Snow:

We have a number of measures of performance that we use to assess each individual route, and sure there are numbers in the spreadsheet that have a lot of meaning to us, but what we take a lot more personally, and what we apply more professionally, is the feedback we actually get from our customers. Some of that feedback comes from the bus driver interaction with his or her customers, through our website, or public meetings, and we have tried to be as sensitive as possible to that in the midst of a collapsing revenue structure that has to support it. We can focus if we want to on trying to have bus routes that go everywhere in southern Nevada that a car goes; we would have a very poor frequency if we were to do that.

What our customers have told us is they want fast and frequent service, and they want more point-to-point service and more express service opposed to a bus that goes 100 yards and stops, and they push on the gas, and there would be a puff of black smoke, and they would do that all day long over and over again. We have been trying to tailor our services more to what the public has been saying that they want: faster, more frequent service that goes to places they want to go, and that is from home to work. Usually, those are various places in the valley to the resort corridor in downtown.

Assemblyman Hammond:

Can I get a definition of induced jobs?

Jacob Snow:

Induced jobs are the jobs that are created that are not necessarily directly related to the projects, such as construction workers out there in the red vests or the operators of the heavy duty equipment, but they are jobs that are created due to the expanded impact from the purchase of construction materials or the purchases of services to support that project and the spending that is created by the actual employees in that project in the economy because they get a paycheck from that job and that has induced effects in the economy.

Assemblyman Hammond:

You also have projected 93,600 jobs if you get the high priorities taken care of. Those high priorities, if I am not mistaken, I do not think they include the Boulder City Bypass, the I-11, or the rail you are talking about. Is that correct?

Jacob Snow:

The list of high-priority roadway projects does include I-11, which includes the Boulder City Bypass; it does not include the high-speed rail. We could give you what would be a much larger figure if we were to include the high-speed rail job numbers as well.

Assemblyman Hammond:

I grew up in Alaska and we have a road, the Alaska-Canadian Highway, and it is called the "ALCAN." Here you have a road, I-11, that is going to go from Mexico to Canada. Any idea what we are going to call that?

Jacob Snow:

Interstate 11.

Assemblyman Hammond:

I was hoping for something more fun.

Jacob Snow:

Maybe we need to get to work on that. We are open to suggestions.

Chair Dondero Loop:

The fun will be in 120 days. Any other questions?

Assemblyman Sherwood:

I would suggest we could maybe sell the naming rights for I-11, right? Jacob, and Tracy, you are to be commended for running a profitable mass transit system and for being fiscally responsible.

Assuming we could get the funding, and I agree with you, if we do this, we do it big, how soon could this happen? Next session, could we drive from Henderson to Carson City on a highway where we do not think we are going to die? How many federal dollars could we get? If we commit, would we get commitments from the other states?

Jacob Snow:

With regard to how soon, before we can build an interstate anywhere, it has to be designated such by the United States Congress. They need to pass a bill and designate which portion from say Phoenix to Las Vegas is going to be designated as the interstate. I can tell you that the first portion in the state of Nevada, all of the planning and environmental work and about a third of the design work, is ready to go for that project, and that is the Boulder City Bypass portion; once you get this side of the bridge and around, it connects to Interstate 515 and Henderson.

If we had the money right now and we could start, we would do a design build project, and it would be at least three years just for that first phase. So you would not be able to use it next session. Once we get beyond that phase, there is a lot of work. Susan Martinovich, Director of NDOT, would share with this Committee a list of things she needs to do so that she can be ready for the further portions that would go on U.S. Highway 95 up through the northern part of the state.

One of those big, complicated, and sometimes controversial issues is what we call control of access, where U.S. Highway 95 goes through a number of small towns and connects directly to a lot of property, and people who own that property have a right to access that roadway, and we cannot just go in and build an interstate system and cut off their access to the roadway. So those issues will need to be dealt with and resolved as we go forward on this process. Those are not quick issues to resolve, and they are expensive issues to resolve.

With regard to your questions about how much this will cost and what the overall breakdown is: the interstate system in this country was built with 80 percent federal, 20 percent local; that is usually the break down. In some cases it has been 90 percent federal and 10 percent local; that is what we are looking at. The first phase alone to go around Boulder City is going to be \$300 million on the lower end and closer to \$400 million on the higher end. It

is not an inexpensive adventure, and this is the primary reason it has not been built so far.

Assemblyman Sherwood:

The follow-up would be the tertiary revenue from things like awarding the exits to Terrible's or McDonalds, whoever gets that, will we be able to designate where those stops are from Arizona to Oregon and partner with these folks to maybe get more private revenue that does not go into perpetuity? Is that the vision?

Jacob Snow:

The state will be able to designate where the interchanges off of I-11 will be. The state certainly has the opportunity to the term "public-private partnership," and this is very ripe right now, especially back in the United States Congress. The state is looking for opportunities for the private sector to come in and make investments because of the economic opportunities by this investment and infrastructure. Those types of business arrangements can generate long-term revenue with a sizable revenue stream depending on the locations of these interchanges, and those are going to vary; some are going to be more profitable and have more potential than others.

Chair Dondero Loop:

If there are no additional questions, thank you Mr. Snow. It was enlightening. We will now open the hearing on <u>Assembly Bill 28</u>. I would like someone from Department of Motor Vehicles to testify on their bill please.

Assembly Bill 28: Makes Nevada's definition of "low-speed vehicle" consistent with the federal definition. (BDR 43-491)

Mark Froese, Administrator, Management Services and Programs Division, Department of Motor Vehicles:

Nevada's definition of "low-speed vehicle" is not consistent with the federal definition found in the *Code of Federal Regulations*, Title 49, Section 571.3. Nevada's definition did match the federal definition, but in 2006, the federal definition was changed to its current language. [Continued to read written testimony (Exhibit G).]

Assemblyman Hambrick:

Are these construction vehicles? They have to be over 3,000 pounds and go less than 25 miles per hour (mph). Could you give us an easy definition of what you call a slow-moving vehicle?

Mark Froese:

Basically a low-speed vehicle has nothing to do with construction. Often you will see them as an electric vehicle. Per the definition, they would have to obtain a minimum of 20 mph and a maximum of 25 mph within a one-mile test track as outlined in the definition. Does that help?

Chair Dondero Loop:

Thank you kindly. Next we will hear testimony in support of $\underline{A.B.}$ 28. [There was none.] We will hear testimony in opposition of $\underline{A.B.}$ 28. [There was none.] Anyone wishing to testify neutral? [There was no one.] I will close the hearing on $\underline{A.B.}$ 28. Seeing no opposition to the bill, I will entertain a motion.

ASSEMBLYMAN HAMBRICK MOVED TO DO PASS <u>ASSEMBLY</u> BILL 28.

ASSEMBLYMAN KIRNER SECONDED THE MOTION.

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

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Chair Dondero Loop: Is there any public comment here or in Las Vermembers before we adjourn?	egas? Any comments from the
[Chair discussed next meeting and restated rules	s.]
Meeting adjourned [at 5:02 p.m.].	
	RESPECTFULLY SUBMITTED:
	Janel Davis Committee Secretary
APPROVED BY:	
Assemblywoman Marilyn Dondero Loop, Chair	_

DATE:_____

EXHIBITS

Committee Name: Committee on Transportation

Date: February 8, 2011 Time of Meeting: 3:20 p.m.

Bill	Exhibit	Witness / Agency	Description
	Α		Agenda
	В		Attendance Roster
	С	Jennifer Ruedy	Excerpts of the Assembly
			Standing Rules
	D	Jennifer Ruedy	Policies of the Assembly
			Committee on
			Transportation
	E	Jennifer Ruedy	Committee Brief
	F	Jacob Snow	Transportation in Southern
			Nevada, PowerPoint
A.B.	G	Mark Froese	Written Testimony on A.B.
28			28