

**MINUTES OF THE
JOINT SUBCOMMITTEE ON NATURAL RESOURCES AND TRANSPORTATION
OF THE SENATE COMMITTEE ON FINANCE
AND THE ASSEMBLY COMMITTEE ON WAYS AND MEANS**

**Seventy-Seventh Session
May 7, 2013**

The Joint Subcommittee on Natural Resources and Transportation of the Senate Committee on Finance and the Assembly Committee on Ways and Means was called to order by Chair Pete Goicoechea at 8:09 a.m. on Tuesday, May 7, 2013, in Room 2134 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.

SENATE SUBCOMMITTEE MEMBERS PRESENT:

Senator Pete Goicoechea, Chair
Senator David R. Parks
Senator Joyce Woodhouse

ASSEMBLY SUBCOMMITTEE MEMBERS PRESENT:

Assemblyman David P. Bobzien, Chair
Assemblyman Tom Grady
Assemblyman John Hambrick
Assemblywoman Marilyn Kirkpatrick
Assemblyman Michael Sprinkle

STAFF MEMBERS PRESENT:

Mark Krmpotic, Senate Fiscal Analyst
Michael J. Chapman, Principal Deputy Fiscal Analyst
Alex Haartz, Principal Deputy Fiscal Analyst
Adam Drost, Program Analyst
Sheri Fletcher, Committee Secretary

OTHERS PRESENT:

Bill Hoffman, P.E., Deputy Director, Nevada Department of Transportation
Scott K. Sisco, Assistant Director, Administration, Nevada Department of Transportation

Joint Subcommittee on Natural Resources and Transportation
Senate Committee on Finance
Assembly Committee on Ways and Means
May 7, 2013
Page 2

Chair Goicoechea:

We will begin with the first budget account (B/A) 201-4660.

INFRASTRUCTURE

TRANSPORTATION

NDOT - Transportation Administration — Budget Page NDOT-17 (Volume III)
Budget Account 201-4660

Adam Drost (Program Analyst):

On page 3 of Closing List #7 ([Exhibit C](#)) is the first major closing issue, the Highway Fund Balance and Capital Expenditures. The major sources of revenue for the State Highway Fund are included in the table at the top of page 3. The projected revenues for fiscal year (FY) 2012-2013 through FY 2014-2015 are provided by the Department of Motor Vehicles (DMV) and updated on March 31. The revenues are projected to remain relatively flat through this fiscal year and through the next biennium.

Significant users of Highway Fund authorizations include the Nevada Department of Transportation (NDOT), DMV and the Department of Public Safety (DPS). Combined Highway Fund authorizations will decrease from approximately \$467.1 million approved by the 2011 Legislature in FY 2012-2013 to about \$379.6 million for FY 2013-2014 and about \$411 million in FY 2014-2015.

The 2011 Legislature transferred the governmental services tax commissions and penalties revenue from the DMV to the General Fund in the 2011-2013 biennium. The Executive Budget recommends transferring governmental services tax commissions and penalties to the General Fund in FY 2014-2015 only, while retaining the governmental services tax commissions and penalties in the DMV Field Services and DMV Motor Carrier accounts in FY 2013-2014. Accordingly, the DMV Highway Fund authorizations are increasing by approximately \$27.1 million in FY 2014-2015. Assembly Bill (A.B.) 491 provides for the transfer of governmental services tax commissions and penalties of about \$24.8 million in FY 2014-2015 to the General Fund.

Joint Subcommittee on Natural Resources and Transportation
Senate Committee on Finance
Assembly Committee on Ways and Means
May 7, 2013
Page 3

ASSEMBLY BILL 491: Temporarily revises various provisions relating to state financial administration. (BDR S-1162)

The NDOT is projecting an unrestricted Highway Fund balance of approximately \$25.4 million at the end of FY 2012-2013, \$80.2 million at the end of FY 2013-2014 and \$102.9 million at the end of FY 2014-2015. Fiscal Analysis Division Staff would note that NDOT has identified an unrestricted Highway Fund balance of \$90 million as the minimum level necessary to maintain cash flow. This represents 1 month of operating, and 1.5 months of capital construction program, expenditures. The Department's estimated fund balance calculations appear reasonable to Fiscal Staff.

The director of NDOT has indicated he has made changes to increase the Highway Fund balance in FY 2012-2013. This includes suspending \$660,000 of Highway Fund authorizations that are normally provided to regional transportation commissions throughout the State to match the purchase of transit vehicles. In addition, the Department has maximized eligible federal reimbursements, expended all available federal funds to receive additional federal funds not spent by other states, reviewed the use of consultants, submitted major settlement cases on eminent domain for reimbursement and issued fewer construction contracts for preservation projects which are funded entirely by Highway Fund authorizations. The director has also reaffirmed his intent to eliminate two construction crews, one in Las Vegas and one in Reno. However, no position eliminations are included in the Executive Budget. The Department plans to reclassify 22 positions to address federal audit findings that can result in fines or reduce federal funds, implement new programs, or address Department needs. The 22 positions are listed on page 4 of Exhibit C. The NDOT has not yet determined which of the vacant positions would be reclassified. Accordingly, the proposed reclassifications are not included in the Executive Budget. They will be requesting these reclassifications at future Interim Finance Committee (IFC) meetings.

Capital expenditures are shown on page 5 of Exhibit C. The Executive Budget recommends funding for highway construction totaling \$376.2 million in FY 2013-2014 and \$376.3 million in FY 2014-2015 with a combination of federal funds and Highway Fund authorizations. As a comparison, NDOT expended \$624.2 million in FY 2011-2012; however, that included projects funded by the American Recovery and Reinvestment Act of 2009 funded projects. Federal fund

Joint Subcommittee on Natural Resources and Transportation
Senate Committee on Finance
Assembly Committee on Ways and Means
May 7, 2013
Page 4

receipts of \$320 million are recommended by Governor Brian Sandoval in each year of the 2013-2015 biennium which reflects the recently enacted federal Moving Ahead for Progress in the 21st Century Act. The Executive Budget does not recommend the issuance of new bonds to finance construction projects in the 2013-2015 biennium. It appears the Highway Fund balance would provide a sufficient level of cash to the Department.

Assemblywoman Kirkpatrick:

If we approve the capital expenditures, do we need to approve A.B. 491 to retain that particular dollar amount?

Chair Goicoechea:

Yes, I believe A.B. 491 would need to pass.

Assemblywoman Kirkpatrick:

Is there enough money left in the account for bonding capabilities? When would the Department be eliminating these 22 employees? It seems these positions should be removed from the budget now so we can determine what we have left. If we are trying to approve capital projects, these positions need to come off the books so we know for certain what is there. How much money does this leave the Agency to bond with?

Bill Hoffman, P.E. (Deputy Director, Nevada Department of Transportation):

In September 2012, there was a major paradigm shift at NDOT when Rudy Malfabon and this staff stepped in to run the Department, in order to reduce spending, increase efficiency and workforce planning. We are analyzing the workforce needs and what changes and transitions we need to make in order to provide good customer service. We are communicating with employees to determine what we need to do and what changes we need to make. One of the first areas we looked at in terms of workforce planning was our construction management and the crews in the districts statewide. Through a detailed analysis, we identified approximately 24 to 28 positions that will no longer be necessary. We are looking ahead 5 to 10 years at every division within the Agency to see what we need to do and what our resource needs are from a strategic planning perspective.

Joint Subcommittee on Natural Resources and Transportation
Senate Committee on Finance
Assembly Committee on Ways and Means
May 7, 2013
Page 5

Assemblywoman Kirkpatrick:

Do we need to eliminate these positions if there are no funds for highways and there is no revenue source coming in anytime soon? If you reclassify these positions and there is no money coming in the near future, I want to know how you are going to remove these positions from the books.

Mr. Hoffman:

From a risk-management standpoint we have looked at our federal programs where we were on the cusp of being out of compliance, such as the Americans with Disabilities Act of 1990 (ADA) to Title VI of the Civil Rights Act of 1964, which could mean the loss of millions of dollars in federal funds or the issuance of fines. Through this workforce planning, we have identified approximately 20 positions that could be transitioned into other areas where we are grossly understaffed.

Scott K. Sisco (Assistant Director, Administration, Nevada Department of Transportation):

The positions are not all currently vacant. We plan to eliminate several positions through attrition and our high turnover rate. We will come to the IFC to both reclassify and eliminate some of those positions. If we were to lay off all of these positions, we would have excessive payout costs and Public Employees' Retirement System buyouts which would cost us more than it would save us.

Regarding A.B. 491, our budget is based on that \$25.4 million coming back in the first year and being depleted in the second year.

Assemblywoman Kirkpatrick:

I understand that we do not want to lay off any more State employees. However, if we are investing in infrastructure, we need to do what we need to do. What are your bonding capabilities?

Mr. Sisco:

This is the last year we are in the \$80 million bond-debt service level. I believe the service level drops to \$60 million in FY 2013-2014. Right now, we do not have any bonding plans. However, we are analyzing how we are going to proceed with Project Neon in Las Vegas. If we have bond needs, the Department will go to the IFC.

Joint Subcommittee on Natural Resources and Transportation
Senate Committee on Finance
Assembly Committee on Ways and Means
May 7, 2013
Page 6

Assemblywoman Kirkpatrick:

Are you saying we do not have any bonding capacity at this time?

Mr. Sisco:

We do have bonding capacity, but we currently have no plans to bond.

Assemblywoman Kirkpatrick:

What is your current bonding capacity?

Mr. Sisco:

We would be comfortable with payments of up to \$100 million. Therefore, we could issue between \$200 million to \$250 million in bonds if necessary.

Chair Goicoechea:

For clarification, are you are just reassigning those two construction crews, but not laying anyone off?

Mr. Hoffman:

That is correct. We are not laying anyone off. I am certain that Director Malfabon intends to eliminate some positions after we have completed the workforce planning analysis and the reassignments.

Assemblyman Sprinkle:

How long do you think it will take to transition all of these positions into new positions?

Mr. Hoffman:

It will be ongoing, but it will take close to a year in order to identify all of the needs and to transfer those positions.

Senator Parks:

Page 4 of [Exhibit C](#) indicates there are federal audit findings that can result in fines. Has there been some finding that has not been reported to us?

Mr. Hoffman:

United States Environmental Protection Agency Audits have been done and fines have been handed out to states across the country, including Hawaii, Arizona and

Joint Subcommittee on Natural Resources and Transportation
Senate Committee on Finance
Assembly Committee on Ways and Means
May 7, 2013
Page 7

South Carolina. Some states have received fines based on their storm water management practices. They have been told to add staff and to pay attention to certain areas within their storm water management program.

Chair Goicoechea:

Has Nevada received any of those fines?

Mr. Sisco:

I think so, but I am not sure.

Mr. Hoffman:

Through the workforce planning analysis, we have identified two or three positions within federally mandated areas, such as ADA, Title VI and storm water management that need additional staff.

ASSEMBLYMAN HAMBRICK MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE RECOMMENDED FUNDING FOR HIGHWAY CONSTRUCTION TOTALING \$376.2 MILLION IN FY 2013-2014 AND \$376.3 MILLION IN FY 2014-2015 AS RECOMMENDED BY THE GOVERNOR.

SENATOR WOODHOUSE SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Mr. Drost:

The second major closing issue is the Driver's License Issuance Period Change. Senate Bill 503 would increase the issuance period of DMV issued driver's licenses and identification cards from the current 4-year period to an 8-year period. The fee charged would be twice the amount which would initially provide additional revenue. Accordingly, the Department of Administration's Budget Division has submitted Budget Amendment No. A130014660 recommending an increase in

Joint Subcommittee on Natural Resources and Transportation
Senate Committee on Finance
Assembly Committee on Ways and Means
May 7, 2013
Page 8

Highway Fund revenue and Highway Fund construction expenditures by \$4.3 million in FY 2013-2014 and \$6.3 million in FY 2014-2015. Although a revenue surge is anticipated during the 8-year transition period, this revenue should return to prior levels once the transition period is complete. The Highway Fund projections do not take into account the final decisions of the 2013 Legislature related to employee salaries and furloughs. Fiscal Staff would remind the Subcommittee that the Highway Fund not only includes NDOT employees, but also DMV and DPS employees.

SENATE BILL 503 (1st Reprint): Revises provisions relating to drivers' licenses and identification cards. (BDR 43-1159)

Accordingly, the Subcommittee may wish to provide authority to Fiscal Staff to utilize this additional revenue to ensure the projected Highway Fund balances of \$80.2 million at the end of FY 2013-2014 and \$102.9 million at the end of FY 2014-2015 are maintained based upon the final decisions of the 2013 Legislature. For the Subcommittee's reference, S.B. 503 was approved as amended by the Senate and has been referred to the Assembly Committee on Transportation.

Chair Goicoechea:

Does everyone understand that S.B. 503 would have to pass and, once it has passed, the budget amendment could be adopted and Fiscal Staff could adjust it at that point?

SENATOR PARKS MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE BUDGET AMENDMENT NO. A130014660 WHICH PROVIDES NDOT WITH ADDITIONAL HIGHWAY FUNDS OF \$4.3 MILLION IN FY 2013-2014 AND \$6.3 MILLION IN FY 2014-2015 CONTINGENT UPON PASSAGE OF S.B. 503; AND TO PROVIDE FISCAL STAFF WITH AUTHORITY TO UTILIZE THIS ADDITIONAL REVENUE TO ENSURE THE PROJECTED HIGHWAY FUND BALANCES ARE MET.

ASSEMBLYMAN GRADY SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

Joint Subcommittee on Natural Resources and Transportation
Senate Committee on Finance
Assembly Committee on Ways and Means
May 7, 2013
Page 9

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Mr. Drost:

The third major closing item is the Public-Private Partnership Agreements. The Governor recommends Highway Fund authorizations of \$60,000 in each year of the 2013-2015 biennium to solicit public-private partnership agreements to design, finance and operate transportation facilities and collect user fees to implement high occupancy tolling (HOT) lanes. This would allow single occupancy vehicles to enter carpool lanes by paying a toll. The NDOT's proposal included modifying existing high occupancy vehicle lanes on U.S. Highway 95 and express lanes on I-15 in southern Nevada to implement these HOT lanes. Phases I and III of Project Neon would be needed to implement these HOT lanes. Assembly Bill 485 was introduced to authorize the transportation facilities and user fees associated with these HOT lanes. However, A.B. 485 failed to pass in the Assembly Committee on Transportation and no further action may be taken. Accordingly, the Subcommittee may wish to not approve the Governor's recommendation to solicit public-private partnership agreements. Based on the failure of the enabling legislature to meet the committee passage deadline, Fiscal Staff would recommend that Highway Fund authorizations of \$60,000 in each year of the 2013-2015 biennium to solicit public-private partnership agreements to design, construct, develop, finance, operate and maintain transportation facilities and collect user fees to implement HOT lanes, not be approved.

ASSEMBLY BILL 485: Revises provisions relating to transportation. (BDR 35-1158)

ASSEMBLYMAN BOBZIEN MOVED TO RECOMMEND TO THE FULL COMMITTEES NOT TO APPROVE HIGHWAY FUND AUTHORIZATIONS OF \$60,000 IN EACH YEAR OF THE 2013-2015 BIENNIUM TO SOLICIT PUBLIC-PRIVATE PARTNERSHIP AGREEMENTS TO DESIGN, CONSTRUCT, DEVELOP, FINANCE, OPERATE AND MAINTAIN TRANSPORTATION FACILITIES AND COLLECT USER FEES TO IMPLEMENT HIGH OCCUPANCY TOLLING LANES.

Joint Subcommittee on Natural Resources and Transportation
Senate Committee on Finance
Assembly Committee on Ways and Means
May 7, 2013
Page 10

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: MOTION CARRIED UNANIMOUSLY.

SENATE: MOTION CARRIED UNANIMOUSLY.

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Mr. Drost:

The fourth major closing issue is the Technology Investment Request. The Governor recommends an increase in Highway Fund authorizations of \$316,677 in FY 2013-2014 and \$34,747 in FY 2014-2015 to purchase an in-house, court-approved forensic software program that would identify electronic documents when NDOT is involved in a lawsuit. Currently, NDOT staff manually identifies these documents or hires an outside forensic expert to collect this data. This program would identify relevant files, redact certain information, and use the latest in forensic technology to encrypt the data and record the chain of custody for these documents.

The NDOT is currently involved in 45 lawsuits and states the Agency spent approximately \$256,000 for outside forensic services spanning 3 months from June 2011 through August 2011. The Agency also believes the number of lawsuits are increasing as large projects, such as Project Neon, are developed. The NDOT projects the annual ongoing expenditures for this software package will be \$34,747.

Senator Parks:

Do the on-going expenditures include staff hours? The software will cost over \$300,000, but clearly someone needs to work the software.

Mr. Sisco:

The \$34,747 is the annual maintenance fee we are required to pay the software manufacturer. The appropriation of \$316,000 also provides training for our staff. There will be no new staff.

Joint Subcommittee on Natural Resources and Transportation
Senate Committee on Finance
Assembly Committee on Ways and Means
May 7, 2013
Page 11

Senator Parks:

Am I to understand that there will be no additional costs for labor to operate the software beyond what is currently being expended?

Mr. Sisco:

Correct. Basically, we are currently paying for forensic experts to come in and extract that data for us. We are exchanging this onetime cost, training our own staff to perform these functions, so that in the future we will not have those on-going costs.

Senator Parks:

My concern is there may be an increase in labor costs.

Chair Goicoechea:

The Agency is presently spending over \$125,000 per year for outside forensic contracts. Are you saying that by performing this work in-house, this software will cover those costs?

Mr. Sisco:

This software will pay for itself in 15 months. The software was not available a few years ago and we are excited about it, because the software will be able to retrieve those records for us.

ASSEMBLYMAN BOBZIEN MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION FOR AN INCREASE IN HIGHWAY FUND AUTHORIZATIONS OF \$316,677 IN FY 2013-2014 AND \$34,747 IN FY 2014-2015 TO PURCHASE AN IN-HOUSE, COURT-APPROVED FORENSIC SOFTWARE PROGRAM.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED UNANIMOUSLY.

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Joint Subcommittee on Natural Resources and Transportation
Senate Committee on Finance
Assembly Committee on Ways and Means
May 7, 2013
Page 12

Mr. Drost:

The fifth major closing issue is Private Sponsorship of Rest Areas. The Governor recommends miscellaneous sales revenue of \$100,000 in FY 2014-2015 for private sponsorship which was recently authorized by the Federal Highway Administration. This would be similar to the Adopt-a-Highway program in which private parties would adopt and maintain rest areas. The NDOT currently has 37 rest areas and will approach the sponsors of the Adopt-a-Highway to solicit participation. This recommendation is contingent upon the passage of A.B. 447 which was approved as amended by the Assembly Committee on Transportation and has been rereferred to the Assembly Committee on Ways and Means.

ASSEMBLY BILL 447 (1st Reprint): Revises provisions relating to roadside rest areas. (BDR 35-1157)

Assemblywoman Kirkpatrick:

We heard this bill in the Ways and Means Committee yesterday and I do not recall this dollar amount being discussed. Is this a one-time fee? It works out to about \$3,000 per sign, if all 37 rest areas are sponsored. How does this process work? I do not sit on the Transportation Committee and I know this is not policy, but if we are expected to approve these budget issues, we need to understand how this works. Do private sponsors sign up for one year, pay \$3,000 and then they can renew it?

Mr. Hoffman:

As I understand it, they took the Adopt-a-Highway program concept and adjusted it for the number of rest areas that might be added per year. Unfortunately, I do not have that information at hand, but I believe it will be a few rest areas per year. From the analysis that was done, we are comfortable with \$100,000. This is in the middle in terms of not being too aggressive versus not signing up any sponsors.

Assemblywoman Kirkpatrick:

I am struggling with this. I do not want to close something and then be pressured to approve something else.

Chair Goicoechea:

I am not comfortable with this either. I do not know how much participation we are going to get in this new program. This is contingent upon the passage of A.B. 447.

Joint Subcommittee on Natural Resources and Transportation
Senate Committee on Finance
Assembly Committee on Ways and Means
May 7, 2013
Page 13

If the bill does not pass, then we would need to prepare a budget amendment. If you would be more comfortable, I am sure we can adjust the language in the recommendation out of this Subcommittee to indicate it is contingent on the passage of A.B. 447.

Assemblyman Sprinkle:

I do sit on the Transportation Committee. This is the third hearing I have had on this and this is the first time I have heard that it is contingent upon the passage of A.B. 447. Additionally, testimony given on A.B. 447 revealed sponsors would be able to provide services at these rest stops. If these private sponsorships are awarded, does that grant them the vending machine rights as well?

Mr. Hoffman:

The bill does include vendor services. Our intention was to allow auto insurance companies to put their logo on an exit sign or on a door for a rest area. Those proceeds would then help offset the maintenance costs we currently pay with State funds. We pay for State employees to clean the rest areas. This is very similar to Sponsor-a-Highway where there is a logo and some revenues are directed toward NDOT. Those would go directly toward maintenance and the upkeep of the facility. That is the concept we have in mind in starting this process. We are trying to increase the level of service and encourage people to use rest areas from a safety standpoint.

Assemblyman Sprinkle:

After three hearings, I have a pretty good understanding of the bill. What I am hearing in our closing today, however, is new information to me. I feel like we might actually be trapped into providing someone to perform the maintenance and that is disconcerting to me.

Chair Goicoechea:

My understanding is that these sponsors would only be paying a fee, but would not be required to perform any of the maintenance. To clarify, if A.B. 447 does not pass, it will ultimately cost \$100,000.

Assemblyman Grady:

If sponsors sign up for this, what kind of liability do they have? Do they sign a contract relieving them of liability? In my opinion, we are really reaching here.

Joint Subcommittee on Natural Resources and Transportation
Senate Committee on Finance
Assembly Committee on Ways and Means
May 7, 2013
Page 14

Mr. Hoffman:

We have looked closely at what other states are doing, and there are several other states that have done this. We currently have individuals who maintain the rest areas through a vendor services agreement. The same bonding requirements and insurance would still be required under our normal policies and procedures. The only difference is there will be a third party paying for these contracted services instead of two parties as we have now. We would be protected as the same exact language and agreements would be used.

Senator Parks:

This is an ideal program that could be very beneficial if we can work it out. I have not been to all 37 rest areas, but I have certainly been to a few of them. Anything we can do to improve the situation would be great for tourists and locals using the rest areas.

Assemblyman Sprinkle:

I will want to hear more about A.B. 447 in the full Ways and Means Committee.

Chair Goicoechea:

I will now turn the meeting over to Assemblyman Bobzien.

Assemblyman Bobzien:

If we are moving forward today, it is with the understanding that we need to give more examination to the bill itself.

Assemblywoman Kirkpatrick:

I am willing to move this forward, but I am upset that this whole thing has not come to light earlier. That was probably not your intention but there needs to be some real discussion on this.

ASSEMBLYWOMAN KIRKPATRICK MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE GOVERNOR'S RECOMMENDATION FOR MISCELLANEOUS SALES REVENUE OF \$100,000 IN FY 2014-2015 FROM THE PRIVATE SPONSORSHIP OF REST AREAS, CONTINGENT UPON PASSAGE OF A.B. 447.

SENATOR PARKS SECONDED THE MOTION.

Joint Subcommittee on Natural Resources and Transportation
Senate Committee on Finance
Assembly Committee on Ways and Means
May 7, 2013
Page 15

ASSEMBLY: THE MOTION CARRIED UNANIMOUSLY.

SENATE: THE MOTION CARRIED. (SENATOR GOICOECHEA WAS ABSENT FOR THE VOTE.)

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Mr. Drost:

The sixth major closing issue is Title Changes for Four Positions. The Budget Office submitted a request to Fiscal Staff to change the title of four of NDOT's current positions from unclassified division administrators to unclassified assistant directors. This is a title change only. The salaries for these individuals will not change. Accordingly, there is no fiscal impact and no decision unit included in the Executive Budget. *Nevada Revised Statutes* (NRS) 408.111 states the head of an NDOT Division is an assistant director. However, the same statute also contains language stating assistant directors are in the classified services of the State. If the Subcommittee decides to approve this request, the Subcommittee may wish to recommend a bill draft request to delete that language as it is not the intent of the Department to reclassify these positions as classified positions.

Assemblywoman Kirkpatrick:

If we approve this, what happens if the BDR gets lost somewhere in the next 16 days?

Mr. Drost:

This approval would be contingent upon that BDR. If that BDR does not make it through, no change would occur.

Michael J. Chapman (Principal Deputy Fiscal Analyst):

If the Subcommittee wishes to recommend approval of this, the recommendation would come before the Full Committees in either Senate Finance or Assembly Ways and Means. The full Committee would request the BDR.

Assemblywoman Kirkpatrick:

My difficulty with unclassified staff is that they tend to circumvent the hiring process coming back to ask for salary increases. I would not be inclined to approve such requests if I should see something like that in the next couple of years.

ASSEMBLYMAN HAMBRICK MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE THE DEPARTMENT'S REQUEST TO RETITLE FOUR UNCLASSIFIED DIVISION ADMINISTRATORS AS UNCLASSIFIED ASSISTANT DIRECTORS AND TO RECOMMEND A BILL DRAFT REQUEST TO MODIFY NRS 408.111 TO ACCOMMODATE THIS CHANGE.

SENATOR PARKS SECONDED THE MOTION.

ASSEMBLY: MOTION CARRIED UNANIMOUSLY.

SENATE: MOTION CARRIED. (SENATOR GOICOECHEA WAS ABSENT FOR THE VOTE.)

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Mr. Drost:

Decision unit E-375 is for Nevada shared radio system enhancements. This would convert the radio equipment located in Hawthorne, Halleck and Austin from analog equipment to digital.

E-375 Safe and Livable Communities — Page NDOT-20

Decision unit E-710 provides \$10 million over the biennium in Highway Fund authorizations for routine replacement of existing equipment.

E-710 Equipment Replacement — Page NDOT-22

Decision unit E-711 provides Highway Fund authorizations of \$379,850 over the biennium for radio replacement.

E-711 Equipment Replacement — Page NDOT-22

Decision unit E-720 provides \$5.1 million over the biennium for new equipment and federal funds of \$265,500 in each year of the biennium and that federal funding would be used to purchase two street sweepers.

E-720 New Equipment — Page NDOT-22

Joint Subcommittee on Natural Resources and Transportation
Senate Committee on Finance
Assembly Committee on Ways and Means
May 7, 2013
Page 17

Decision unit E-730 provides \$10 million over the biennium to fund maintenance, new construction and alterations of Department-owned facilities.

E-730 Maintenance of Buildings and Grounds — Page NDOT-23

Decision unit E-735 provides \$453,500 over the biennium to fund maintenance and operating expenses for the Department's two aircraft.

E-735 Airplane Maintenance — Page NDOT-23

Decision unit E-803 provides Highway Fund authorizations of \$2,372 over the biennium for dispatch services provided by the Nevada Highway Patrol (NHP). Fiscal Staff requests authority to make technical adjustments related to the NHP dispatch services cost allocation.

E-803 Cost Allocation — Page NDOT-23

ASSEMBLYMAN HAMBRICK MOVED TO RECOMMEND TO THE FULL COMMITTEES TO APPROVE DECISION UNITS E-375, E-710, E-711, E-720, E-730, E-735, AND E-803 AS RECOMMENDED BY THE GOVERNOR AND TO PROVIDE FISCAL STAFF WITH AUTHORITY TO MAKE TECHNICAL ADJUSTMENTS.

SENATOR WOODHOUSE SECONDED THE MOTION.

ASSEMBLY: MOTION CARRIED UNANIMOUSLY.

SENATE: MOTION CARRIED. (SENATOR GOICOECHEA WAS ABSENT FOR THE VOTE).

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Assemblyman Bobzien:

Can you provide us with an update on the Meadowood Interchange? I drive by it every morning and wonder what is going on.

Joint Subcommittee on Natural Resources and Transportation
Senate Committee on Finance
Assembly Committee on Ways and Means
May 7, 2013
Page 18

Mr. Hoffman:

I am questioned by friends, family and relatives every day. We are trying our best. We have gone to Las Vegas and met with the contractor and their executive staff. We are conducting further analysis, partnering and meeting as frequently as we can to get that project completed. Trust me, we are doing everything within our power to get it completed and opened.

Assemblyman Bobzien:

Can you give us a thumbnail sketch of the issues and what is being discussed?

Mr. Hoffman:

The contractor has submitted an "intent to claim compensation" for the bridge and retaining wall foundations which we are evaluating. The NDOT is preparing a position on their claim which is about all I can say about that.

Every time we give a date it gets postponed. We are hoping to pour the last section of rail on the northbound right-hand side of the freeway, install the special crash attenuators, remove the temporary barrier rail and have traffic on that roadway very soon.

Joint Subcommittee on Natural Resources and Transportation
Senate Committee on Finance
Assembly Committee on Ways and Means
May 7, 2013
Page 19

Assemblyman Bobzien:

We appreciate the update. I am sure all of us would love to see firmer answers before we leave Carson City.

Hearing no further comment, this meeting is adjourned at 9:03 a.m.

RESPECTFULLY SUBMITTED:

Sheri Fletcher,
Committee Secretary

APPROVED BY:

Senator Pete Goicoechea, Chair

DATE: _____

Assemblyman David P. Bobzien, Chair

DATE: _____

Joint Subcommittee on Natural Resources and Transportation
 Senate Committee on Finance
 Assembly Committee on Ways and Means
 May 7, 2013
 Page 20

<u>EXHIBITS</u>				
Bill	Exhibit		Witness / Agency	Description
	A	1		Agenda
	B	1		Attendance Roster
A.B. 491 A.B. 485 S.B. 503 A.B. 447	C	10	Adam Drost	Closing List #7, May 7, 2013