

**MINUTES OF THE
SENATE COMMITTEE ON TRANSPORTATION**

**Seventy-Eighth Session
March 5, 2015**

The Senate Committee on Transportation was called to order by Chair Scott Hammond at 8:30 a.m. on Thursday, March 5, 2015, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412E of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Scott Hammond, Chair
Senator Don Gustavson, Vice Chair
Senator Patricia Farley
Senator Mark A. Manendo
Senator Moises (Mo) Denis

GUEST LEGISLATORS PRESENT:

Senator Greg Brower, Senatorial District No. 15
Senator David Parks, Senatorial District No. 7

STAFF MEMBERS PRESENT:

Megan Comlossy, Policy Analyst
Darcy Johnson, Counsel
Martha Barnes, Committee Secretary

OTHERS PRESENT:

Neil S. Roth, President, Xtreme Green Products, Inc.
Nick Vassiliadis, General Motors
John P. Sande III, Nevada Franchised Auto Dealers Association
Sean McDonald, Administrator, Division of Central Services and Records,
Department of Motor Vehicles
Amy McKinney, Administrator, Administrative Services Division, Department of
Motor Vehicles

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James Kimsey
Buzz Harris, Tahoe Transportation District
Carl Hasty, District Manager, Tahoe Transportation District

Chair Hammond:

I will open the hearing on Senate Bill (S.B.) 179.

SENATE BILL 179: Revises provisions relating to the sale of certain motor vehicles. (BDR 43-866)

Senator David Parks (Senatorial District No. 7):

Senate Bill 179 revises the statute which allows manufacturers of electric vehicles, under certain circumstances, to sell their vehicles directly to the public.

In order to sell a new vehicle in Nevada, existing law requires a manufacturer of new vehicles to establish a franchise with a vehicle dealer. This Legislature passed S.B. No. 1 of the 28th Special Session so certain manufacturers of passenger cars powered by electric motors could be exempt from this requirement.

Section 1 of S.B. 179 revises the exemption for those Nevada manufacturers by changing the term "passenger cars" to "vehicles" and requiring that the electric motor (or motors) receive power from lithium ion batteries.

Neil S. Roth (President, Xtreme Green Products, Inc.):

We are a manufacturer of work and specialty vehicles using lithium ion batteries. We do not manufacture passenger cars but make all-terrain vehicles (ATV) and utility terrain vehicles (UTV) which are used for security, farming, mining and other uses.

In many areas, we sell our vehicles to hunters and ranchers because they are extremely green. The vehicles emit no smell or particulate matter. The vehicles work well for farmers and ranchers. We can sell commercially in Nevada today, but not directly to the consumer because we do not have franchise capabilities.

Senator Gustavson:

Is there a reason you do not have a franchise?

Mr. Roth:

We manufacture our vehicles in Nevada, but sell our products all over the world. We hope to create a market for this type of vehicle. If an electric vehicle replaces a gas-powered vehicle, there is a certain amount of carbon removed from the air. When an ATV or UTV from a company like Polaris or Kawasaki is replaced by one of our vehicles, ten times the amount of carbon emissions are removed from the air.

In order to make a paradigm shift among the public and commercial users we have kept our pricing similar to what gas vehicles cost, even with cost savings from gas and maintenance. We work within a very tight margin. In order to sell through a franchise, we would have a negative profit margin and could not stay competitive in the marketplace.

Senator Denis:

How many manufacturers exist that make this type of vehicle? Perhaps the vehicle is not for passengers but for other industrial uses.

Mr. Roth:

The gas industry is a \$26 billion industry worldwide but in terms of the electric industry, we have been lucky enough to stay under the radar. We are the only company that manufactures ATVs and UTVs with lithium ion batteries that can do everything a gas version can do. We build a full steel suspension, for an off-road vehicle. We are working with the Marines who develop military vehicles using our motor. The military indicated we were the only company they could find manufacturing these motors in the world. We have managed to produce a motor nobody else has figured out how to make. We began about 10 years ago.

Chair Hammond:

During the 28th Special Session, an exemption was made for passenger vehicles manufactured by Tesla to be sold directly to the consumer here in Nevada. This bill changes language from "passenger vehicle" to "vehicle." Is that correct?

Mr. Roth:

Yes.

Chair Hammond:

The second change says these vehicles are powered by lithium ion batteries. How many other manufacturers would fit the description of this change?

Mr. Roth:

In Nevada, it would probably be just Xtreme Green Products, Inc. There may be some small groups, but I am not aware of anyone else.

Senator Denis:

Does your vehicle differ from a golf cart?

Mr. Roth:

Our vehicle is totally different from a golf cart. Our vehicles are ATVs and UTVs and can go about 60 to 80 miles on one charge. The vehicle can be plugged into a 110-volt wall socket. The vehicles are built with 2-wheel drive and 4-wheel drive, independent suspension and all-steel construction. The vehicle reaches speeds of 45 miles per hour off the highway.

Senator Denis:

Are the vehicles street-legal?

Mr. Roth:

The vehicles can be street legal if we make changes to the UTV, which is a side-by-side version, by making it into a neighborhood electric vehicle (NEV). This is a low-speed vehicle rated at a 25 miles per hour speed limit. We do not have the rights to sell the NEV without the proposed language change in S.B. 179.

Senator Manendo:

Is your intent to sell this type of vehicle later on?

Mr. Roth:

Yes.

Senator Parks:

I hope you can see Senate Bill 179 as a good economic development bill.

Nick Vassiliadis (General Motors):

We are opposed to the bill as written. The passing of S.B. 179 would provide a competitive advantage to select companies who could circumvent the established system and elude a long-standing State policy.

Chair Hammond:

Could you provide clarification as to how this company would elude the established system?

John P. Sande III (Nevada Franchised Auto Dealers Association):

When the law was changed in the 28th Special Session, the Nevada Franchised Auto Dealers Association made some concessions to allow Tesla to sell directly to the consumer. Across the Country, there have been long debates about this practice and in most cases, Tesla has not been allowed to sell directly to the consumer. Nevada made that concession.

The law went into effect in 1999 when some of the manufacturers were buying dealerships in order to sell directly to the consumer. Most people would say franchises help with vehicle difficulties. The consumer can return to the franchise dealership where the dealer will resolve any problems. The law has been in effect for a long time and Nevada is like other states where a manufacturer of a vehicle, except in the case of Tesla where we made a concession, cannot sell directly to the consumer.

Senator Denis:

You mentioned you do not support the bill in its current form. Can we make it work?

Mr. Vassiliadis:

I mentioned that based on the testimony of Mr. Roth who is in support of the bill. He stated his company was looking specifically at ATVs not normally purchased at dealerships. I wonder if there might be a way to specify what Mr. Roth is trying to achieve with this bill. I am unsure if we could actually get the language to work for both sides. Because of the specification towards ATVs, there could possibly be room to amend the language.

Chair Hammond:

I will close the hearing on S.B. 179 and open the work session with S.B. 121.

SENATE BILL 121: Revises provisions relating to certain special license plates.
(BDR 43-413)

Megan Comlossy (Policy Analyst):

Senate Bill 121 allows a person to request a personalized prestige license plate to be combined with a "classic rod" or "classic vehicle" license plate if the person pays fees associated with both types of license plate ([Exhibit C](#)).

There were no amendments proposed for this measure at the hearing, however, the sponsor submitted a proposed amendment to S.B. 121 ([Exhibit D](#)). The proposed amendment allows a person to request a personalized prestige license plate instead of a special classic rod or classic vehicle license plate. The previous language stated, "be combined with" and now it has been amended to read, "instead of." This change applies to both the classic rod in section 1 and the classic vehicle in section 2. Section 3 requires the Department of Motor Vehicles (DMV) to carry out the amendatory provisions of the bill as soon as practicable after January 1, 2016, upon determining that sufficient resources are available.

Chair Hammond:

Senator Brower, are you favorable to the amended language, and does it cover your intent for the bill?

Senator Brower (Senatorial District No. 15):

Yes. The amended language accomplishes the goal, just not immediately.

Chair Hammond:

The amendment ensures the customer will receive the license plate wanted to display on classic rods and classic vehicles, but it will take the DMV a longer time period to enact the specifications of the bill.

Senator Denis:

Will the customer who testified be satisfied with the amended language?

Senator Brower:

Yes, if the purpose of the amended language is that over time when practicable, DMV will allow a person to have his or her personalized license plate with up to seven digits on his or her car. That vehicle would be registered simultaneously with a classic rod or classic vehicle status. Thereby, having the benefits of such

status and paying whatever fees are associated to the license plates would accomplish the goal of the bill.

It is not easy for the DMV to make these changes overnight. If the compromise is that they will work on accomplishing the goal over time and do so when it becomes feasible, the proposed amendment does achieve its purpose.

Senator Denis:

Can the DMV achieve the goal as outlined with the proposed amended language for S.B. 121?

Sean McDonald (Administrator, Division of Central Services and Records, Department of Motor Vehicles):

As proposed in the amended language, we are favorable to the bill. It provides us the time necessary to determine the component for tying together the classic rod, classic vehicle and emissions exemption within the programming.

Senator Denis:

Do you anticipate the physical license plate will have some type of designation on it also?

Mr. McDonald:

I would like to discuss the details further with the other sections at the DMV, but at this time, it should be just a programming issue. Ultimately, the license plate will show as a personalized plate and when the plate is run by law enforcement, there would be a qualifier on the back end identifying it as a classic rod or classic vehicle.

Senator Denis:

Would there need to be a designation on the license plate identifying it as a classic rod or classic vehicle to address the emissions issue?

Senator Brower:

The idea is to allow the vehicle owner to display a personalized license plate without concern as to whether or not the plate has a classic rod or classic vehicle designation on the license plate. The designation will be on the back end in the records of the DMV. It is not the intent of those seeking the change to have the designation on the license plate.

It would be the intent of those seeking the change to have it happen immediately but with all things considered and the cooperation of the DMV, it is a good compromise. To the average constituent who would like to have this implemented by July, it might not be an ideal solution, but it is a good compromise.

Chair Hammond:

For those people who may be listening, this is a work session and we are working through some of the proposed amendments. Some of the Committee members did not see the amendments until they got to the hearing this morning. The work session allows us to receive clarification on any proposed changes. I do not want someone in the audience to think we are opening this bill again; we are just receiving clarification.

Senator Gustavson:

Would there be room at the bottom of the license plate to put the designation of classic rod or classic vehicle below the seven alphanumeric characters?

Mr. McDonald:

There is probably room in that location and it has been an internal topic of discussion.

SENATOR MANENDO MOVED TO AMEND AND DO PASS AS
AMENDED S.B. 121.

SENATOR GUSTAVSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Chair Hammond:

We will go to the next bill on the work session, S.B. 127.

SENATE BILL 127: Revises provisions relating to the Department of Motor Vehicles. (BDR 43-601)

Ms. Comlossy:

Senate Bill 127 authorizes the DMV to issue a credit to a person who: (1) cancels a vehicle's registration and does not qualify for a refund; or (2) transfers registration from one vehicle to another, and the registration fee or governmental services tax paid on the original vehicle is more than that owed on the vehicle to which the registration is transferred. Such credit may be applied by the person to any obligation due to the DMV. Any unused portion of the credit expires 1 year after: (1) being issued by the DMV in the case of cancelled vehicle registration; or (2) the date of the next registration of the vehicle to which the registration was transferred.

There is one amendment proposed by the DMV. The intent of this amendment is to reduce the DMV's fiscal note and clarify that unused credit expires on the expiration date of the registration of the vehicle the person surrendered or canceled, or from which the registration was transferred. It also specifies that a person may apply the unused portion of the credit only to another vehicle the person owns, rather than to any obligation due to the DMV.

When the Committee heard this bill, we had not yet received a fiscal note from the DMV but it has been submitted and is available for review and located behind the work session document for S.B. 127 ([Exhibit E](#)).

Chair Hammond:

I want to bring to your attention the fiscal note submitted by DMV. The fiscal note describes what will occur in fiscal year (FY) 2015 through FY 2017. The cumulative effect of the policy will be \$688,000. We are the policy committee but I wanted to bring this to the attention of the Committee because it was not available during the hearing for S.B. 127.

The amendment ensures the person who did receive a refund could reapply the unused portion as a credit to the registration of another vehicle that person owns or will own in that particular year. The person has 1 year from the time the vehicle was originally registered.

Senator Gustavson:

Is the fiscal note based on the original bill without the amendment?

Chair Hammond:

Could you explain how the fiscal note will change based on the proposed amendment?

Amy McKinney (Administrator, Administrative Services Division, Department of Motor Vehicles):

When the fiscal note was submitted, it was calculated on the credits being used against any obligation. The original fiscal note included \$1 million in programming costs. The programming cost has been eliminated by the proposal of amended language of the credit only being allowed to apply to another registration. The revenue impact is the same as the original fiscal note. There will be a reduction to revenue for \$688,000.

Chair Hammond:

How much will this cost from now until 2017?

Ms. McKinney:

It could potentially impact revenues in FY2016 by \$250,000 and in FY2017 by \$339,000. This credit will be used; it is not at the present time.

Chair Hammond:

So, are you saying it will not change much?

Ms. McKinney:

The proposed amendment eliminates the \$1 million in programming costs.

SENATOR GUSTAVSON MOVED TO AMEND AND DO PASS AS AMENDED S.B. 127.

SENATOR MANENDO SECONDED THE MOTION.

Senator Denis:

I support the policy portion, but the bill will probably be sent to the Senate Committee on Finance for another hearing.

THE MOTION CARRIED UNANIMOUSLY.

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Chair Hammond:

We will now move on to S.B. 144.

SENATE BILL 144: Revises provisions governing traffic laws. (BDR 43-72)

Ms. Comlossy:

Senate Bill 144 makes various changes to traffic laws with regard to pedestrian safety. The bill authorizes the Nevada Department of Transportation or the governing body of a local government to designate pedestrian safety zones and doubles the penalty for violating certain traffic laws within such zones. A sign must be placed before a pedestrian safety zone to warn that higher fines may apply, and additional signs must identify the beginning and end of each zone ([Exhibit F](#)).

In the case where there is a flashing yellow turn arrow, S.B. 144 requires a vehicle to stop for pedestrians lawfully in the intersection or crosswalk and yield the right-of-way to other traffic in the intersection.

Senate Bill 144 also prohibits a vehicle from making a U-turn in an active designated school zone.

There were a couple of conceptual amendments proposed during the hearing by Erin Breen, Director, Vulnerable Road Users Project, Transportation Research Center, University of Nevada, Las Vegas.

The first conceptual amendment will prohibit the driver of a motor vehicle from passing another motor vehicle in an active school zone.

The intent of the second conceptual amendment is to clarify where there is a flashing yellow arrow, a vehicle need not stop, but must yield the right-of-way to pedestrians lawfully within the intersection or crosswalk.

Senate Bill 144 included similar provisions to those in S.B. 152. The proposed conceptual amendments were developed in collaboration with Senator Manendo and Senator Spearman in order to combine the bills. There was no opposition to this bill during the hearing.

SENATE BILL 152: Makes various changes to provisions governing public safety. (BDR 43-17)

Chair Hammond:

We combined S.B. 144 with S.B. 152 because the bills were very similar. Since Senator Manendo sponsored the bill, have we made S.B. 144 stronger by combining the two bills?

Senator Manendo:

Yes. When we were crafting S.B. 144, we inadvertently left off the portion regarding passing in school zones. Senator Spearman had similar bills that accomplished the same thing so this bill, with both conceptual amendments, is a cleaner piece of legislation.

SENATOR DENIS MOVED TO AMEND AND DO PASS AS AMENDED
S.B. 144.

SENATOR GUSTAVSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Chair Hammond:

We will move on to S.B. 145 in the work session.

SENATE BILL 145: Authorizes a nonresident who is a member of the Armed Forces of the United States and is stationed in Nevada to enroll in the Program for the Education of Motorcycle Riders. (BDR 43-71)

Ms. Comlossy:

Senate Bill 145 authorizes a member of the Armed Forces of the United States, a research component thereof, or the National Guard, and who is stationed at a military installation in Nevada to enroll in the Program for the Education of Motorcycle Riders ([Exhibit G](#)).

There were no amendments proposed on this measure. Currently, the Program for the Education of Motorcycle Riders is open only to residents of Nevada. According to testimony, in certain circumstances, a nonresidential member of the Armed Forces who is unable to attend a motorcycle training course at the military base at which he or she is stationed may wish to enroll in a course offered by this program.

SENATOR GUSTAVSON MOVED TO DO PASS S.B. 145.

SENATOR DENIS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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Chair Hammond:

We will move on to the next bill in our work session, S.B. 156.

SENATE BILL 156: Makes various changes concerning motor vehicles.
(BDR 43-11)

Ms. Comlossy:

Senate Bill 156 provides that a person who unlawfully proceeds through a temporary roadblock established because of flooding or water on the roadway is liable for the expenses of any emergency response that is required to: (1) remove the driver or any passenger from the vehicle; and or (2) move or remove the vehicle from the roadway or any area near the roadway if the vehicle creates a hazard as outlined in our work session document ([Exhibit H](#)).

The bill also provides that a person who is convicted of reckless driving for driving a vehicle into any area temporarily covered by a rise in water may be liable for the expenses of any emergency response that is required to: (1) remove the driver or any passenger from the vehicle, and/or (2) move or remove the vehicle from the area.

The liability imposed by S.B. 156 must not exceed \$2,000 per incident. There were no amendments proposed for this measure and no testimony in opposition to the bill.

Chair Hammond:

The bill is simple, if a person drives through a flooded area and gets stuck, that person must pay for the rescue.

SENATOR DENIS MOVED TO DO PASS S.B. 156.

SENATOR MANENDO SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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We will now move to S.B. 188 in the work session.

SENATE BILL 188: Revises provisions relating to vehicle collisions.
(BDR 43-674)

Ms. Comlossy:

Senate Bill 188 replaces the word "accident" or "collision" with "crash" in *Nevada Revised Statutes* (NRS) where either term is used to refer to motor vehicle accidents as outlined in the work session document ([Exhibit I](#)). No amendments were proposed for this measure and there was no testimony in opposition to the bill.

Chair Hammond:

Our information states there may be a fiscal impact. During testimony, we heard there was no fiscal impact as the agencies have already begun changing the lexicon in their reports and the way they communicate with each other. The agencies are already using the word crash.

Senator Farley:

I wonder if calling it a crash implies there was intent. Does this give lawyers and lawsuits more strength in the pursuit of suing and receiving damages?

Darcy Johnson (Counsel):

I would have to conduct some research. A few other states have implemented similar changes. There should be information available about whether or not it has affected that sort of litigation.

Senator Denis:

Are you saying because the language is changing from "accident" to "crash" there is an implied fault with the word "crash" and not with the word "accident"?

Senator Farley:

When we heard testimony, the definition around crash was that it was avoidable and there was intent and malice. We do not want to pass a bill that will create legal problems for our constituents.

Chair Hammond:

If we are talking about who is at fault, we do that already. We use the term accident and there is always the implication that someone caused the accident.

Senator Farley:

There are unintentional murders, not that we are going down that path. Can someone expound on the intent to recover more damages than what would normally be granted because the definition has changed? That would be my concern.

Senator Denis:

This should not increase or decrease the number of lawsuits concerning crashes. The word crash is not defined; it did not define accident. We are just changing one word for the other.

Senator Farley:

The whole testimony given during the hearing was about intent. The legislative record suggests if I have an accident, it was a crash and could have been avoided. What was my intention?

Chair Hammond:

What is the intent of those who are trying to pass S.B. 188? Are they trying to expand the definition of intent? Is it intent to do malice or is a crash supposed to be something that is preventable?

Senator Farley:

Can we ensure the intent cannot be taken further?

Senator Manendo:

The intent is to change the way people think about what is reported on television as an accident when it is really a crash because the driver was intoxicated. The courts will decide based on the police reports. We are not trying to be judge and jury with the NRS. Nationally, there is a trend of changing reports from accident to crash in order to change people's mindset.

Chair Hammond:

I am convinced we are changing the lexicon from accident to crash and the litigation will follow.

Senator Manendo:

I suggest we move the bill and hold it until we have more information.

Senator Farley:

I will accept that suggestion.

Senator Denis:

There is a possibility someone will receive a larger penalty if that person is at fault in an accident. The purpose of the bill is to reduce crashes, which might put more pressure on drivers to be safe.

James Kimsey:

I am a legal administrator for law firms. The lexicon is changing to crash but will not change the penalties beyond the current level. Most legal professionals use the term crash.

Speaking as a certified motorcycle instructor, the term crash is used in our instruction. An analysis of the factors leading to the event usually reveals, within a reasonable degree of certainty, the crash was preventable with one or more parties at fault. It is an extreme rarity that it is a true chaotic accident.

Senate Bill 188 is moving toward the national trend already in existence especially in the area of motorcycles and the legal field. Crash is the term we prefer. Whenever I write a report or gather medical information, very rarely will the term accident be used. You may see motor vehicle accident and then you will see crash throughout the report.

Chair Hammond:

The bill changes the lexicon from accident to crash. We will try to obtain more information to ensure the bill is what we believe it to be.

SENATOR DENIS MOVED TO DO PASS S.B. 188.

SENATOR MANENDO SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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I will close the work session in order to hear a presentation from the Tahoe Transportation District.

Buzz Harris (Tahoe Transportation District):

We want to inform the Senate Committee on Transportation about the Tahoe Transportation District and the incredible opportunities available in the Lake Tahoe area.

Carl Hasty (District Manager, Tahoe Transportation District):

I would like to share with you the importance of transportation in the Lake Tahoe region with my slide presentation ([Exhibit J](#)). If you have not visited Lake Tahoe, it is a beautiful place. We are seeing visitation at a level of 8.5 million visits a year. Lake Tahoe plays an important role in the tourist economy of California and Nevada. Lake Tahoe is federally owned, like most of Nevada. The Lake Tahoe Basin is tied by proximity and economics to Carson City; Truckee, California; Reno and the Carson Valley.

There are more than 70,000 residents, second homeowners and a commuting workforce at the South Shore of Lake Tahoe. On a busy weekend, such as the Fourth of July, there could be a million people in the Lake Tahoe Basin. Our transportation system has an urban demand although it is not considered an urban area.

Transportation plays a critical role when it comes to the clarity of Lake Tahoe. Research tells us 70 percent of the flying sediment affecting the clarity and polluting the Lake, is coming from the developed areas, mostly the transportation network. Maintaining the clarity of Lake Tahoe is a goal of the Tahoe community.

The Tahoe Transportation District is a bistate district along with the Tahoe Regional Planning Agency (TRPA) created by the California-Nevada Compact for sharing resources and responsibilities. We work hand in hand with the TRPA, which also serves as the metropolitan planning organization when it comes to transportation. Together, we have become the equivalent of a regional transportation commission using the Nevada model to both plan and

implement transportation needs within the Lake Tahoe Basin. There are many other stakeholders included in this process.

We have an 11-member board of directors, which was established by the California-Nevada Compact. It includes six representatives from local governments around the Basin. We have two representatives from the private sector, two nonprofit representatives and one at-large member as listed on slide 6 of [Exhibit J](#).

Slide 7 of [Exhibit J](#) has a map of current projects in process and transit services within the Lake Tahoe Basin. Being in two states provides a more challenging situation because of the many partners. We are not in the business of building new highways at Lake Tahoe, unlike in the valleys. Our goal and the direction of the Compact are to provide alternatives to the automobile. The full network of transit, trails, pedestrian paths and road highways will provide alternatives.

It takes many hours of collaboration with different entities to put together the funding, collect authorizations and obtain permits in order to work toward the completion of transportation projects.

A project we completed with the help of the Nevada Department of Transportation (NDOT) and the community was to bring the first roundabout to Lake Tahoe, which was well-received. We spent many hours in the community because it was a political situation. There are many hours of collaboration and coordination necessary to complete this type of a project.

On the east shore, we have expanded to provide seasonal shuttle service. Within the corridor along Incline Village, Spooner Summit and Sand Harbor, because of the roadside parking, people use the highway as a sidewalk. It creates a dangerous situation. One of our remedies is to implement a capture point for alternatives to parking on the highway and the stacking that occurs with folks trying to get into Sand Harbor. Sand Harbor has over 1 million visitors a year and the shuttle has been very successful.

Nevada State Route (SR) 28 is a National Scenic Byway and slide 13 of [Exhibit J](#) lists the project participants allowing the Tahoe Transportation District to move forward with the shuttle project. Fourteen agencies must be at the table to reach a solution for an agreement to move forward. Money is always an

issue, but there are other impediments. Cooperation and collaboration are necessary to complete any project in the Lake Tahoe Basin.

Chair Hammond:

Are you forced to work with 14 agencies or do you choose to work with them? Is it because of the uniqueness of Lake Tahoe and the area it represents that you must work with so many agencies?

Mr. Hasty:

It is a necessity and makes sense because of the jurisdictional arrangement of Lake Tahoe. For a project, you must know who owns the land, who is responsible for the road, who has the money and who has regulatory permitting authority. There is no shortage of organizations involved. The arrangement has developed over the years. Our model of implementation has no unilateral type of solution except recognizing our common interest goals and working together to achieve them. It takes considerable time and effort, but the result is very successful.

Jurisdictionally, with the NDOT, Division of State Lands, Division of State Parks, the United States Forest Service (USFS) and the Incline Village General Improvement District (IVGID), all have a piece of the project that must be coordinated to provide a solution to serve the public.

Chair Hammond:

Unilaterally, it is not a great approach when working with other organizations or interests because everyone brings something to the table. Can you describe how long a project will take when you have to deal with 14 agencies? Does it take longer from conception to completion of a project?

Mr. Hasty:

To give you a benchmark, the national average for bringing any kind of significant transportation project forward takes about 7 years because transportation issues are complicated. For the Lake Tahoe area, it could take twice as long because there is no steady revenue source to make transportation improvements. The Tahoe Transportation District has been successful in the last 6 years, which is probably more normal through assertive collaboration in order to arrive at solutions. When there is complexity to this degree, financial, political and other factors, then any stop along the way can jam the process. It takes an extraordinary effort, but it can be done.

The fourteenth member of our group, the Federal Highway Administration through the Federal Lands Access Program came to us with the funding needed for the project. We applied for funding. Often we have to pursue discretionary funding in order to complete projects. We bring together a variety of state, local and federal resources to propel a project forward with a solution. The Central Federal Lands Highway Division of Lakewood, Colorado, will implement the project and expects to begin construction this summer. The project completes the first 3 miles of bike lane to keep people off of the roadway and provide safe access to Sand Harbor from Incline Village.

The Tahoe Transportation District has an environmental documentation process at Lake Tahoe with other organizations such as the TRPA. If we deal with federal funding, we are left with a trifecta-type document where all three sets of environmental protection concerns are addressed.

Two miles of bike trails have been completed at South Shore connecting the Stateline area with the USFS beaches at Round Hill Pines Beach Resort and Nevada Beach. These beaches are very popular and receive heavy use. For Lake Tahoe, the bike trail network is also economic development. Recreation has become a primary source of income and gaming has now become secondary.

Since we cannot address new roads, how can we address capacity in a resort and recreation orientation? It is through the bike trail network that is extremely useful and valuable to the area. The gaming concerns and other businesses are very supportive of this improvement.

Our biggest single project is at South Stateline and U.S. Highway 50 where we are looking to realign a portion of U.S. Highway 50 around the casino core and make it a complete street through the existing alignment. We want to make the area more of a destination and are on track to complete the project. This project is a good example of a public investment; the project cost is \$72 million. Our economic analysis indicates the project could cost \$1 billion in private sector investment in order to boost adjacent properties and increase retail sales from \$16 million to \$25 million a year. There is a great deal of interest at South Shore to freshen the Lake Tahoe product. These types of amenities provide better choices for visitors and residents. People will ask can I walk, bike, take transit or take my car. Lake Tahoe has been dominated by cars for years and we are looking to change that dominance.

Tahoe Transportation District provides transit service by operating the system at South Shore while Placer County operates the system at the North Shore. Lake Tahoe does not have an integrated regional transit system. Part of our objective and role of where we are headed is to develop an integrated transit system from the Interstate 80 Truckee corridor to U.S. Highway 50 at South Shore. We want to provide people with a choice and ability to park their cars.

With population growth, we are not expanding highways. We need to develop a way to move people and transit is a way of doing that in all of our communities. We need trails, transit and road improvements in the Lake Tahoe area.

Our transit system connects with the valleys in Nevada, we cross the state line and connect Minden and Gardnerville with Carson City and then drive back to Lake Tahoe. How are we going to get to the North Shore and connect Lake Tahoe on all sides? We have pulled a page from the past and are evaluating a passenger ferry. When we have snow on State Route 89 around Emerald Bay, the road can be closed due to snow and stay closed for months. It is not possible to run busses around the Lake because they too would be stuck in traffic, so it is not a good solution for residents. We have been looking at a passenger ferry with a main line traveling from South Shore to Tahoe City. We have this project going through the environmental evaluation process now and expect to have a decision in the beginning of 2016. We are pursuing the funding.

This will not be a car ferry but a passenger ferry only. At the turn of the century, if someone wanted to get to Tahoe City it was by train, which went out on a wharf where the passengers disembarked from the train and boarded a boat to get around on the Lake. In a way, we are returning to our past, but it will work and we have seen great interest in the project. Many people have a difficult time getting onto the Lake. This is not a tourist excursion but will consist of high-speed, low-wake vessels to take passengers across the Lake. The travel may be faster than driving a car.

At Tahoe City, we are addressing a project with Fanny Bridge, which is a small realignment. We want to replace Fanny Bridge, which is a two-lane bridge and the only ingress and egress to all of the west shore of the Lake. The project will create two bridges. This is not a capacity enhancement as much as it is operational, and it will allow a better flow of traffic. This is the same type of

gateway that already exists at Tahoe City and we are expecting a decision on this project this month. We have the project largely funded and are looking to begin construction in 2016. This will be a big improvement for Lake Tahoe.

We are looking at transit expansion through the resort triangle, from Truckee, Squaw Valley and North Lake Tahoe. We have other transportation services under our umbrella. We want safe passengers and passenger availability at nighttime for those who visit the bars, restaurants and casinos and do not want to drive. We offer this and are working with the North Shore resort areas and offer the same service for those passengers who need to get to the airport, which is another important connection.

Eleven entities have the responsibility for transportation, but we want to go beyond that for Lake Tahoe. We have taken the collaboration model and created a coalition comprised of 11 jurisdictions, 6 in California and 5 in Nevada.

We are looking at common interest because we are all faced with how to finance our transportation needs. Transportation financing mechanisms are wanting. The federal model has changed our purchasing power by the gas tax diminishing, but there is a great deal of need for this type of project. This is our effort to work together to address these issues and concerns. The major focus we see nationwide is on major metropolitan areas with populations of more than 1 million people, which does not help northern Nevada. Southern Nevada is already struggling with transportation issues.

The Tahoe Transportation District has been working in collaboration with local jurisdictions. For northern Nevada, it ties into a megapolitan area concept, which is our drive-up market from the San Francisco Bay area. The development with Tesla and freight reinforces this mindset. We work with the Sierra counties, looking at our common interests in terms of accomplishing transportation and addressing those needs.

Together with this coalition we began working statewide with all of the metropolitan planning organizations and the NDOT by reviewing Nevada's needs and educate people. Transportation entities have not done a good job of sharing with the public and the Legislature what needs to be accomplished.

Chair Hammond:

The number of partners and jurisdictions you collaborate with, to complete these projects, is huge. The bike trail looks like a great system. What was the time frame from conception to completion?

Mr. Hasty:

With the 2 miles we completed at South Shore, we changed the typical Lake Tahoe model and were able to move from preliminary design, to permit approval, to acquiring the funding and getting to the ground in 3 years. That time frame is phenomenal but that type of project is what we want to encourage to develop our entire transportation program. The role is important environmentally and economically. The district has been successful in playing a role and gaining momentum with these partnerships. There is nothing like having some success to help with the momentum. We are trying to capitalize on that success to make it the new practice.

Chair Hammond:

What are the concerns for the bike projects? I assume the materials are something you are cognizant of and anything that might be carried into Lake Tahoe. Could you guide me through some of the behind-the-scenes discussions that may have taken place in your meetings?

Mr. Hasty:

The project along the lakeshore is the responsibility of the Tahoe City Public Utility District. In order to end up with this trail, many private landowners were involved to obtain property and rights-of-way. It is always about lining up money. Multiple partners are working together with community support of the project. At South Shore, our situation was a little bit different. There were 2 miles of bike trail we built where the District obtained a design and led the construction on behalf of Douglas County on USFS property. Douglas County has committed to maintain the project, but the USFS owns the land. That is the type of effort it takes for us to complete a project.

It is like what the Tahoe City Public Utility District had to do with the North Shore and it has now become our practice. These bike trails often become a secondary access. If we have an emergency, the bridge design will hold a fire truck. This is another way of getting to the forest, and another way of getting people out of the area because there is no secondary road network or

alternative highway network. These trails often serve multiple purposes, not just recreation or a point-to-point destination.

Some considerations are the life of the material, cost of maintenance and what entity will be responsible for maintaining the completed project. These types of considerations go into the planning of these projects. The bike trail is called a Class 1 bike trail, and we think of it as a one-lane road because that is what it functionally is.

Chair Hammond:

Can the bike trail serve as part of an evacuation or emergency plan as well?

Mr. Hasty:

Yes, the bike trail can serve as a secondary access. We will be teaming up with the IVGID for the Nevada State Route (SR) 28 corridor project. No sewage or sewage effluent can be discharged into Lake Tahoe. Four export lines pump it out of the watershed. The IVGID has pipe in the ground pumping the sewage, but the life of the pipe is expiring. We have teamed up with the IVGID to replace the pipeline that parallels the SR 28 corridor.

We want to place the pipeline under the bike trail to get it out of the roadway as it has failed and caused significant highway problems. The IVGID will maintain the bike trail and it will serve as their access. People will be able to place hydrants on the pipeline to be used to fight forest fires. We always look for achievable multiple objective benefits for this type of project.

Mr. Harris:

I want to tell you a little bit about the bike trail which is close to the Edgewood Golf Course. That bike trail is averaging about 10,000 pedestrians or cyclists a month on a year-round basis. It is a well-used facility. Sometimes it is used by residents and sometimes by tourists. We have a person who is disabled that uses this bike trail on a regular basis to purchase basic needs from the grocery store. People do not mind taking the bike trail; otherwise, they would have to use the shoulder of the road or take a taxi.

Chair Hammond:

Is the ferry only proposed?

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Mr. Hasty:

Our intent is to bring in a ferry and we are going through the environmental evaluation analysis now.

Chair Hammond:

Will you have some sort of mass transit at both ends?

Mr. Hasty:

We look at this as Lake Tahoe's equivalent to a light-rail system, and that is how we will connect both the north and south to tie it in to the rubber tire portion of the transit system. The ferry will cruise at about 35 to 50 miles per hour.

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Chair Hammond:

There being no further business to come before the Committee, I will adjourn the meeting at 9:55 a.m.

RESPECTFULLY SUBMITTED:

Martha Barnes,
Committee Secretary

APPROVED BY:

Senator Scott Hammond, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit		Witness or Agency	Description
	A	2		Agenda
	B	6		Attendance Roster
S.B. 121	C	1	Megan Comlossy	Work session document
S.B. 121	D	3	Megan Comlossy	Proposed amendment
S.B. 127	E	7	Megan Comlossy	Work session document
S.B. 144	F	1	Megan Comlossy	Work session document
S.B. 145	G	1	Megan Comlossy	Work session document
S.B. 156	H	1	Megan Comlossy	Work session document
S.B. 188	I	1	Megan Comlossy	Work session document
	J	33	Carl Hasty	Slide presentation