

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON TRANSPORTATION**

**Seventy-Ninth Session
March 9, 2017**

The Committee on Transportation was called to order by Chairman Richard Carrillo at 3:14 p.m. on Thursday, March 9, 2017, in Room 3143 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4406 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, 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/App/NELIS/REL/79th2017.

COMMITTEE MEMBERS PRESENT:

Assemblyman Richard Carrillo, Chairman
Assemblywoman Ellen B. Spiegel, Vice Chair
Assemblywoman Shannon Bilbray-Axelrod
Assemblyman John Ellison
Assemblyman Ozzie Fumo
Assemblyman Richard McArthur
Assemblywoman Daniele Monroe-Moreno
Assemblyman Michael C. Sprinkle
Assemblyman Justin Watkins
Assemblyman Jim Wheeler
Assemblywoman Melissa Woodbury

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

None

STAFF MEMBERS PRESENT:

Jann Stinnesbeck, Committee Policy Analyst
Darcy Johnson, Committee Counsel
Joan Waldock, Committee Secretary
Trinity Thom, Committee Assistant



OTHERS PRESENT:

Ron Smith, Chairman, Regional Transportation Commission of Washoe County,
representing the City of Sparks
Lee Gibson, Executive Director, Regional Transportation Commission of
Washoe County
Jayne Harkins, P.E., Executive Director, Colorado River Commission of Nevada
Bob Reese, Assistant Director of Engineering and Operations, Colorado River
Commission of Nevada

Chairman Carrillo: [Roll was called. Committee protocols and rules were explained.]
We will have the Regional Transportation Commission make its presentation.

**Ron Smith, Chairman, Regional Transportation Commission of Washoe County,
representing the City of Sparks:**

I am the chairman of the Regional Transportation Commission (RTC) of Washoe County Board of Commissioners and a councilman for the City of Sparks. On behalf of the RTC Board and our staff, I want to extend our thanks for the opportunity to talk with you today about our projects and programs that serve the citizens of Washoe County. The RTC of Washoe County is proud of the work we do to deliver safe and reliable transportation systems for the residents of Truckee Meadows. In a moment, our Executive Director, Lee Gibson, will give you an overview of the projects and programs we deliver in Washoe County. To Lee's left, I would like to introduce our Director of Planning, Amy Cummings. We have a robust and award-winning public outreach program, as recognized by the U.S. Department of Transportation (USDOT), which enables the public to participate in the development of projects that improve the transportation infrastructure in the communities we serve and to meet the needs of our growing economy. We work in collaboration with the local governments, the Nevada Department of Transportation (NDOT), and our federal partners for the benefit of the region and the State of Nevada as a whole. Again, thank you for the opportunity to meet with you today. We look forward to hearing your comments and answering your questions.

I would like to make a final acknowledgment. I would be remiss not to acknowledge our legislator from District No. 30, Assemblyman Michael Sprinkle, with whom we work closely. He represents parts of Washoe County and the City of Sparks and is a Sparks resident.

**Lee Gibson, Executive Director, Regional Transportation Commission of
Washoe County:**

I appreciate the opportunity to be here today to give you an overview of activities, functions, and services of the Regional Transportation Commission of Washoe County. Our Board consists of five members [page 2, ([Exhibit C](#))]. We have two from Washoe County—Vice Chair Bob Lucey and Commissioner Marsha Berkgigler. We have two representatives from the City of Reno—Commissioner Neoma Jardon and Commissioner Paul McKenzie.

The Chair, Mr. Ron Smith, is our representative from the City of Sparks. By resolution passed by the RTC in 2010, Rudy Malfabon, the Director of the Department of Transportation, is an ex officio member. I serve as Executive Director.

The RTC provides three primary functions [page 3, ([Exhibit C](#))]. We are in charge of metropolitan planning, funding and construction of regional roads and highways, and operation of public transit services. What we seek to do is link planning to service delivery. One of the advantages we see in this model is that from the plan to the delivery of the service, we want to shrink a lot of the time and eliminate a lot of the bureaucracy that exists as we fund projects. Right now we are going through a cycle of updating our regional transportation plan [page 4, ([Exhibit C](#))]. It will be a look-see to 2040. We are going to be looking at all types of transportation modes. It is a community-based program. We work with our citizens, conduct workshops, and conduct public meetings to get substantial input from the public. It is fiscally constrained. As a Metropolitan Planning Organization (MPO), the USDOT requires that for whatever 20-year plan we put together, we show that we have the revenues to cover the costs to deliver the projects.

Our first guiding principle for our plan is safety [page 5, ([Exhibit C](#))]. We believe in safe and healthy communities. We believe that everything we design, build, operate, and provide should, and does, always put safety first. We are focused on economic development and diversification. Like the entire state, we do not want to go through the experience we had during the Great Recession. We try to work with our community and member entities to promote economic development and transportation investments that support diversification. Sustainability—not just in terms of being a good steward of the environment, but also focusing on the cost and the economics of what we do—is a critical element, especially in regard to our transit program on some of the innovations in technology that will save us money. We want to focus on delivering increased travel choices to our citizens in Washoe County whether they want to walk, use a bicycle, drive a car, or use public transit. We want to make sure that the opportunity exists for citizens to use different modes.

We are in the process of developing our 2040 regional transportation plan (RTP) [page 6, ([Exhibit C](#))]. Some of the major projects include, first and foremost, pedestrian safety. We want to ensure that in everything we design. The SouthEast Connector, which is a major super-urban arterial, has a dedicated pedestrian/bicycle path adjacent to it. Even with our rehabilitation program, in which we are doing corrective maintenance, preventative maintenance, and rehabilitation—we are in those corridors and on those streets, and we are building Americans with Disabilities Act (ADA)- and pedestrian-friendly sidewalks.

We have just begun construction on the 4th Street/Prater Way Bus RAPID Transit (BRT) Project. I am very proud of this project. It is the first Federal Transit Administration (FTA) Small Starts project funded in the state. The funds will be helping to deliver new bus rapid transit stations as well as five electric buses. The Virginia Street Bus RAPID Transit Extension Project is a partnership between the University of Nevada, Reno (UNR), RTC, and the City of Reno. We are moving forward in design. Throughout my presentation you will hear that the Spaghetti Bowl is a top priority for us, as are the U.S. 395 North improvements.

We hear a lot about the role of advanced mobility planning, the role of autonomous vehicles, and how we are going to build the infrastructure to serve a future transportation technology in which we, as drivers or transit customers, will not have the operational decisions on guiding the vehicle [page 7, ([Exhibit C](#))]. Our work is focusing on research projects with UNR to develop the protocols to have an autonomous bus. We are also working closely with UNR in building an electric vehicle infrastructure in Reno and Sparks, so we can move toward accommodating more electric vehicles in our public transit system. Shared mobility is something we are looking at closely. We want to know how we can leverage those types of services for a wide variety of purposes, including long-distance commuting and services to seniors. Regarding autonomous vehicles, we are looking at what type of road designs will be necessary in order to accommodate the technologies necessary for vehicle-to-vehicle communications. Those are the research programmatic challenges we see coming in the future. We want to be prepared for them.

Since our last RTP, we have undertaken a number of projects [page 8, ([Exhibit C](#))]. They cover our road program as well as our public transportation program. I will be talking about those later.

I want to go through some quick facts about our regional roads and how we use them [page 9, ([Exhibit C](#))]. The map shows the road system we are responsible for planning, funding with our fuel revenue indexing dollars that come to the RTC, and improving or rehabilitating for future multimodal purposes [page 10, ([Exhibit C](#))].

In terms of regional road usage, it is important to remember that the regional roads are about 30 percent of the total lane-miles in that system [page 11, ([Exhibit C](#))]. About 70 percent of the lane-miles are residential roads and local streets that are not part of that system. We need to remember that, in the big picture of things—in terms of vehicle miles traveled, where the vehicles are and how heavily they are traveling the roads—arterials carry 50 percent, the interstate carries 42 percent, and local roads carry 8 percent. All things being equal, even with the weather we have in northern Nevada, the regional roads take the bulk of the wear and tear, becoming the focus of our rehabilitation, preventative maintenance, and corrective maintenance planning, so we can provide for our citizens a smooth and efficient road surface to drive on.

In terms of our budget and financial summary, for 2017 our total revenue is \$188.6 million [pages 12-15, ([Exhibit C](#))]. Forty percent of that comes from the fuel tax as a direct result of the hard work in the Legislature to allow fuel revenue indexing. Fuel revenue indexing was approved in the 75th Session of the Nevada Legislature and went into effect on January 1, 2010. We receive about 36 percent of our money from the federal government—The Federal Highway Administration and the Federal Transit Administration. Our sales tax brings in about 14 percent.

When you look at where that money goes, 45 percent goes to capacity improvement projects. Right now, for us, that is a little on the high side because of the SouthEast Connector. I will show you the dollars associated with that project later. It has been a big chunk of the money over

the past several years. We are also putting about 15 percent, \$37 million, to pavement preservation. Our transit operating system runs about \$28 million for fixed routes and \$8 million for paratransit. We have about \$22 million in capital, which is on the high side this year, reflecting some discretionary grants we received to help fund some of the improvements I will talk about a little later. All in all, in terms of roadway funding by project type, 41.9 percent goes to capacity, 39 percent goes to multimodal, and 16.7 percent to pavement preservation. I will talk later about some of the components of the multimodal program that I think you will find important.

As I mentioned earlier, we have had fuel revenue indexing since 2010 [page 16, [\(Exhibit C\)](#)]. That has been directly correlated and positively related to employment growth in Washoe County. The anecdotal stories I hear in the community are very interesting. We started fuel revenue indexing at the depth of the recession and began a number of construction projects in cooperation with NDOT. I like to think that we were able to keep a lot of construction workers in Washoe County who otherwise might have moved to Colorado or Texas to follow the work. That helped us keep a core competency of construction workers who are now probably overly subscribed with work as they continue working on private sector projects to help diversify our economy. That specific program helped spur construction at a time when we needed it, but it also had a direct human impact in helping to keep folks in our area.

Turning to transit, our fixed-route service system provides a service that we call RTC RIDE [pages 17-18, [\(Exhibit C\)](#)]. We provide an intercity bus service between Reno and Carson City that many state employees use. We also operate a circulator in downtown Reno that we call the Sierra Spirit, which is a great way to get to a UNR basketball game. Our bus rapid transit system is called RAPID. We have about 72 buses operating on 26 routes. We are privatized, using MV Transportation, Inc. as our contractor. Last year, we carried about 8.2 million passengers.

We also operate a paratransit system, carrying about 221,000 riders a year [page 19, [\(Exhibit C\)](#)]. This is also a privatized service. As I am sure you all are very well aware, this is a civil right under the ADA. It reflects and mirrors service patterns we provide on our fixed routes.

As we have grown, we have seen a 132 percent increase in our vanpool program [pages 20-21, [\(Exhibit C\)](#)]. Our vanpool program carries around 650 people a day. These are people who travel from Reno to the Tahoe Reno Industrial Center, or up to near Susanville to some federal facilities up there, to Carson City, or south of Carson City. This is a way that allows us to make money, while providing a subsidy and a way for people to group together and have a cost-effective way of traveling longer distances. It also gives us a significant environmental benefit, helping toward air quality conformity. Next, you can see how our vanpool program generates revenue for us. The passengers the vanpool program carries and the miles traveled are counted toward our return of federal dollars in the formula that the USDOT uses. In 2015, \$355 paid into the vanpool program brought back \$939 in federal transit dollars. That helped us fund and capitalize our bus system and serve as a way to pay for some levels of operation.

The electric bus program is something I am really proud of [page 22, ([Exhibit C](#))]. We are operating four Proterra electric buses. On March 14, Transportation Innovation Day, we will have one parked right outside the Legislative Building. This bus has provided a much more efficient method of transporting people. It is 16 percent less costly than a diesel bus. In two-and-a-half years of operating these buses, we have learned that electric vehicles do not vibrate like traditional diesel buses. As a result, screws and bolts do not come loose, so we do not need to do small maintenance, such as tightening seats down and making sure that things are in a nice tight fit. We have eliminated over 50,000 gallons of fuel use. With our 4th Street/Prater FTA Small Starts grant, we will be able to buy five more of these buses and operate them in that corridor. We believe this will increase and magnify those numbers.

When you buy new technology buses, you need to make improvements in how you maintain them [page 23, ([Exhibit C](#))]. Our specific need is for facility upgrades to the Villanova Maintenance Facility, located under the freeway. We are doing a \$12.8 million project right now. Over time, buses have gotten taller as more technology has been placed on top of the buses. We have had to come back to our older facility to make some retrofits in order to accommodate those taller vehicles.

I mentioned the Virginia Street BRT extension when talking about transit projects and design [page 24, ([Exhibit C](#))]. This project will connect our midtown area to the downtown Reno area and to UNR. Midtown is an area that sees a lot of redevelopment and mixed uses. It is popular with students, faculty, and administrative personnel. This new connection will help bring people from UNR down south and back, making this a much more vibrant and pedestrian- and transit-friendly corridor.

The next page gives you an indication of what the pedestrian streetscape will look like [page 25, ([Exhibit C](#))]. This is a \$78 million project—that amount includes acquisition of new vehicles; construction of new stations; construction of a multimodal station at 9th Street and Virginia Street; and reconstruction of the street, sidewalk, and incorporation of design features to help achieve compliance with the ADA. I have talked about the 4th Street/Prater Way Project [page 26, ([Exhibit C](#))]. By comparison, it is 3.2 miles, at a cost of \$57.8 million. One of the distinguishing features here is that we are taking all of the utilities and putting them underground. Earlier I had mentioned that we do multimodal projects. Our design management philosophy is to go into a corridor once and get out of the corridor once. That means that when we go into a corridor, like either one of these projects, we are going to reconstruct the street and sidewalks, making the sidewalks ADA-accessible.

In the case of the 4th Street/Prater Way Project, we will put utilities underground. We will put in bicycle assets. We will work with utility partners—NV Energy and Truckee Meadows Water Authority—to make sure that those utility relocations and whatever improvements they want to make get done. We understand that my phone will ring off the hook if I go in, fix a street, and a utility company goes in and tears it up again. We work cooperatively and

effectively with our utilities to prevent that from happening. We work with the utility companies from the planning stage, through the design, and even through construction management. The 4th Street/Prater Way Project has the unique opportunity where we will be doing some improvements for Truckee Meadows Water Authority and getting them done early so that we do not have to come back and do that.

When we start to look at the public policy issues that we are facing related to transportation, one that is emerging is affordable housing and joint development [page 27, ([Exhibit C](#))]. How do affordable housing and joint development come into play with transportation? We have many assets in the downtown Reno area. We also have a pronounced challenge with respect to homeless individuals and making sure that these homeless individuals do not deter people from wanting to come downtown. At a more humane level, we want to make sure these homeless folks are receiving the social and medical services they need. We are in an emerging partnership with the City of Reno, Washoe County, the City of Sparks, Catholic Charities, Northern Nevada Volunteers of America, and a host of other nonprofit social services providers. We plan on removing our institutional barriers in order to determine what we need to do. We at RTC are looking at helping get people who can come in and help the homeless in our transit station. We are looking at opportunities to provide shuttle services to help transport homeless people to meals and medical services. It is a challenge that has only come up recently here in Washoe County. I think you will hear more about the project as the legislative session progresses. It is something that we believe is important as a matter of redevelopment of the downtown area, but also at the human level of making sure that we can provide for, manage, and help the homeless get the medical and mental health attention they may need or to get them back to the level of having opportunity to improve their economic position.

Switching gears, we have heard from the State Transportation Board and the community about the possibility of a future rail line to move workers from Reno and Sparks over to the Tahoe Reno Industrial Center [page 28, ([Exhibit C](#))]. Going to the Tahoe Reno Industrial Center can sometimes be challenging because of the Interstate 80/Truckee River Canyon corridor [page 29, ([Exhibit C](#))]. The opportunity to look at a multimodal solution is something that we will work on with NDOT. Perhaps it will not be a rail line; perhaps it will be just an additional access point that would give us a way of moving people back and forth, particularly when there may be an event on I-80. This is something we will be looking at and addressing over the next year or so.

We are in discussions with a number of interests throughout the state regarding fixed guideways [page 30, ([Exhibit C](#))]. Several years ago, we looked at a streetcar on Virginia Street. We determined there was a beginning emergent base of supportive land uses that could support a streetcar. The real challenge is finding stable and reliable funding for capital and operating expenses. Right now, the way our funding structure for public transportation is set up, it is doubtful that we would be able to operate such a system without significant reductions in bus service. Even then, there would be the challenge in creating

a competitive project at the federal level. That is not to say that we could not do it one day. We need to look at all the factors that are related to fixed guideway, including the land use components that would drive demand, how we would fund and operate such a system, and how we could provide a good public service.

One area we think it would be worthwhile to look at is what is called value capture investment. Most of the academic studies surrounding fixed guideways show that fixed guideways' permanence tends to drive real estate values up. This creates more economic opportunity, more tax revenue, and more jobs. How we capture some of that value and put it back into the system so that the system can grow and be provided for in a quality manner is something that we will be exploring.

The Federal Transit Administration's New Starts/Small Starts funding program is highly competitive. Competing nationwide is very complex. Looking at these sources of funding, ridership, and land use issues is central to making that program a success. I am very proud of our 4th Street/Prater Way Project because this put our toe in the water with the FTA Small Starts process. Those funds can be used for rapid transit bus projects. We successfully navigated that process, showing the funding, ridership, and the land use elements coming together to get a small grant. That project is a good demonstration of how that can work.

Shifting to some construction projects, first up is the SouthEast Connector [page 31-32, [\(Exhibit C\)](#)]. This is a 5.5-mile project, costing \$300 million. This will help move people around to the eastern side of the Truckee Meadows area and help relieve some congestion on Interstate 580. This project will intersect at Sparks Boulevard and the SouthEast Connector. The SouthEast Connector is going to be renamed Veterans Parkway. There will be a veterans' memorial honoring all of Nevada's veterans at that intersection. My chairman has been a great champion for that. We are hoping to have the grand opening of this SouthEast Connector/Veterans Parkway by Veterans Day of this year.

The Pyramid/McCarran intersection is another major project [page 33, [\(Exhibit C\)](#)]. I want to thank NDOT for being a great partner on this. They have helped execute a local project agreement that allowed us to do a number of functions in cooperation with them, including right-of-way acquisition. This is a \$72 million project. We are hoping to have this project done by the fall of this year.

The Southeast McCarran project is another project we did in cooperation with NDOT [page 34, [\(Exhibit C\)](#)]. This is 5.1 miles of widening of McCarran Boulevard, costing \$45 million. We completed it a little over a year and a half ago. The page shows a pedestrian and bicycle bridge we put into the project, an example of our multimodal investments and our focus on pedestrians and bicycles. What was fascinating about this is that the bridge was moved in as one big piece in a single day.

On the left is the Pyramid/McCarran intersection I talked about earlier [page 35, [\(Exhibit C\)](#)]. The white lines are the pedestrian pathways you can see through the area. I would like to talk about a partnership we have that is a transportation/land-use partnership and

a public-private partnership. We at the RTC of Washoe County, in cooperation with Washoe County, the City of Reno, and the City of Sparks, executed a memorandum of understanding many years ago to allow for the development of a regional road impact fee. Other jurisdictions practice impact fees, but they might be for localized areas.

What we have done with this program is create an initiative where, through a public-private partnership, we work with developers. We fund and they build regional roads. Over the last ten years, we have been able to put \$240 million in projects into Washoe County as a result of that partnership. Often, they will build the roads and receive offset credits. When the developers then build homes or commercial areas and need to pull building permits and pay impact fees, they use the credits to pay the impact fees. Otherwise, we would build the road, and they would pay the impact fee later on. This has been a great partnership for us to get infrastructure projects done sooner rather than later. It has also been a great partnership for us to integrate transportation and land use planning and help get some outcomes for our master-planned communities that give us more of those amenities and features that make quality of life a top element of those projects.

To start my wrap-up, one of our major project priorities is pedestrian safety improvements [page 36, ([Exhibit C](#))]. I would like to make a shout out to NDOT on the I-80 Spaghetti Bowl—we appreciate their focus on this interchange. We are looking at the U.S. 395 corridor for widening. On our Interstate 11 project, we have been working closely with NDOT, RTC of Southern Nevada, and others to advance Interstate 11. We think that is a very critical piece of the puzzle for our state as we move forward. You can see some pictures of our pedestrian safety improvements [page 37, ([Exhibit C](#))].

What is our "ask" of the Legislature this session [page 38, ([Exhibit C](#))]? We would like the Legislature to make a commitment to completing work on the Spaghetti Bowl. We will be working very hard to make sure there is a consensus at the local level to move that project forward, and we would ask that the Legislature continue to support NDOT in moving that forward. We also believe it is time to pay close attention to the relationship of land use and transportation coordination. An area that would be helpful would be to look at the role of NDOT, RTC, regional entities, and local entities to find ways we can better integrate, partner, and provide infrastructure that is supportive of land uses. That is especially important not only with industrial land uses, where we will have wide trucks that use big areas to turn, but also in areas where we see new and diversified job growth.

We also want to continue our commitment to the coordination of the federal and state strategies to leverage funding and regulation. This is going to be very important for transit-oriented developments in the Virginia Street and the 4th Street corridors. It is also going to be important for affordable housing. Why is affordable housing important? The Federal Transit Administration has recently revised its joint development program. The FTA says that if RTCs are engaged in a project—such as our 4th Street/Prater Way Project or our Virginia Street BRT—and an opportunity arises with property we have owned or

a partnership emerges that would help develop supportive land use—we could be a partner in that with federal assets or federal funds. We can help create that supportive land use and create a cash flow that comes back to our transit operating system. In Washoe County, we did that with our own office building which is on Terminal Way. We are near a bus stop. We bought that building with FTA funds. The rent paid to us from tenants goes to our transit operating fund. We need to look at this closely. This coming year we are going to start a planning effort to look at those types of opportunities and ways we could leverage that program to help start developing affordable housing in public-private partnerships so that we can help people have affordable living, participate in our economy, and grow in the process.

Chairman Carrillo:

Thank you, Mr. Gibson. Are there questions from the Committee?

Assemblyman Ellison:

I am fascinated by your page 22, the electric buses. How long can they run on a charge? Are they charged by an underground feed or do they run on batteries?

Lee Gibson:

They are battery operated. We have a fast-fill charger constructed at the 4th Street Station. If the battery is run down to just about zero, it will take 15 minutes to charge the bus. The bus runs a 7- to 11-mile route, coming in often to the 4th Street Station for a quick charge of 3 or 4 minutes as a layover point. A layover point is where the bus ends its route. There is opportunity for the bus to recover time and for the operator to use the restroom. It works great. The bus we will have here on March 14 is going to be one of Proterra's newer models—a 40-foot bus. The ones we are currently using are 37-foot vehicles. The one that will be here for Transportation Innovation Day has a range of 240 miles. Ours have a range of about 40 miles. Just in the three years we have had our buses, the technology has changed. The buses we will be buying will also have that farther range. Buses do not travel far in some route systems; they come back to a layover point, allowing us to use the shorter-range buses.

Ron Smith:

There are other systems in which a bus will charge at every stop. There are different types of charging units. The one we use is centrally located.

Assemblyman Ellison:

I have seen some that use small generators that start up as the battery charge level gets low. Saving 50,000 gallons of diesel saves you a lot of money.

Lee Gibson:

That is a lot of money. Right now, gas prices are pretty good. We look at this as a sort of financial portfolio. We all know that gas prices are going to go back up over time. We want

to be properly positioned. Fuel is about 40 percent of our operating cost. If we can avoid double-digit fuel increases the next time oil prices spike, we should be in good shape to continue to provide this necessary public service.

Assemblyman Sprinkle:

If your buses have only a 40-mile range, how will you get your Transportation Innovation Day display bus back to Reno?

Lee Gibson:

The buses we have and use currently have a 40-mile range. The bus we will display here has a 240-mile range. It is a vehicle that is being delivered to Seattle's Sound Transit. It will be stopping off here on its way to Seattle. The manufacturer has been kind enough to let us have it here.

Assemblyman Sprinkle:

What kind of increase in ridership have you seen in the last few years?

Lee Gibson:

Our ridership has been flat for a number of reasons. One is that gas prices are low. What we tend to see in Washoe County is that folks will go back to driving their own cars when gas prices go down. I also think some of the challenges we are facing in downtown Reno around 4th Street Station is a deterrent to ridership. That is why the work we want to do in partnership with our social service friends is so important. We need to make a downtown area that is attractive and is perceived to be safe, so folks will want to come back to the transit system.

Assemblyman Sprinkle:

I would agree with you, based on my experiences down there. That leads into my last question for you—with the kind of growth we are expecting in the next five to ten years, what are some of the challenges and concerns that you have regarding transportation issues as a whole for the region?

Lee Gibson:

We are going to have to continue to look at and support innovative project delivery methods, such as design-build and construction manager at risk, so that we can move projects more quickly. We are going to have to deal with the question of how we fund and operate public transportation. Ridership is flat, but I guarantee that the moment gas prices start creeping up, we will see more people back on the buses. We do not want to find ourselves in a situation like the one we were in back in 2010 to 2012, where we were seeing double-digit increases in ridership because people did not want to drive their cars due to the high gas prices. We want to be able to provide people the opportunity to get to work.

Addressing the question of the structure of public transportation funding in the state is going to be critical. I also think, from a third point of view, we are very fortunate with fuel revenue indexing to be building the infrastructure. I think building a larger infrastructure will result in the question of how we will maintain it. As all of us know, there is more to a street than just pouring concrete and striping it. The traffic signals and electricity bills have to be paid. Here in northern Nevada, we have to clear snow. We have to clean gutters and operate street cleaners to keep the dust off and to improve air quality. How that is going to be paid for is going to be a serious question that requires state action. Those are the things I see on the horizon—the big picture policy questions we will have to address. Do we have to address them today? Probably not, but we will have to address them soon.

Chairman Carrillo:

Are there any other questions from members of the Committee? [There were none.] I will now open the hearing on Assembly Bill 11.

Assembly Bill 11: Revises provisions governing the operation of unmanned aerial vehicles. (BDR 44-137)

Jayne Harkins, P.E., Executive Director, Colorado River Commission of Nevada:

In the Las Vegas hearing room is Bob Reese, our Assistant Director of Engineering and Operations, and Gail Bates, our Assistant Director for Energy Services. If you give me tough questions, they get to answer them.

My outline today is to talk briefly about Assembly Bill 11 [page 2, ([Exhibit D](#))]. I will give you a bit of an overview of the Colorado River Commission (CRC) organization, talk to you about four of its major functions, and then talk to you about our electrical infrastructure, which is what we are talking about today in A.B.11 and discuss in more detail the need for this bill.

In A.B. 11, under existing law, *Nevada Revised Statutes* (NRS) Chapter 493 prohibits a person from operating an unmanned aerial vehicle within a short distance from a critical facility. It is the definition of "critical facility" that we are asking the Legislature to change for us. Unmanned aerial vehicles are not to be within a horizontal distance of 500 feet or a vertical distance of 250 feet without the written consent of the owner of the critical facility.

Currently, NRS Chapter 493 language includes a number of critical facilities; some of those are mining, wastewater, water treatment facilities, and prisons [page 3, ([Exhibit D](#))]. It also includes electrical infrastructure of utilities as defined in NRS 704.187. If you look at those electrical infrastructure facilities, they are NV Energy's transmission and electrical facilities. In A.B.11, we are asking to incorporate the electrical facilities that are owned, operated, inspected, maintained, or repaired in whole or in part by the CRC and add that into the definition of "critical facility."

The Colorado River Commission was created in 1935 by the State of Nevada as Hoover Dam was being completed and Hoover power generation was beginning to be commercially operated [page 4, ([Exhibit D](#))]. We received an allocation of that Hoover hydropower and have been selling it to the state of Nevada for over 80 years. The purpose the Legislature put in place for us is to protect, receive, safeguard, and hold in trust the water and hydropower resources provided from the Colorado River into the state for the benefit of the state. We are funded by our water and power customers. We receive no State General Fund monies.

Our mission is to responsibly manage and protect our Colorado River water and power resources for the state [page 5, ([Exhibit D](#))]. Our natural resources group works on being a steward of our water allocation of 300,000 acre-feet of water annually from the Colorado River for beneficial use purposes [page 6, ([Exhibit D](#))]. Understand that over 2 million people in southern Nevada rely on the Colorado River for 90 percent of their water supply. Their major work functions are working on Glen Canyon Dam operations, providing compliance with the Endangered Species Act (ESA) in the lower Colorado River, water accounting, and working on drought contingency planning to help maintain Lake Mead elevations through the extreme droughts we have seen over the past 17 to 18 years [page 7, ([Exhibit D](#))].

The hydropower allocations we receive are from Hoover, Parker, Davis, and Glen Canyon Dams. The CRC and the City of Boulder City hold long-term contracts with the federal government for hydropower that has been allocated by the U.S. Congress. We receive allocations from the other three dams through the marketing process of the power marketing agency of the Western Area Power Administration at the Department of Energy, a federal agency that markets hydropower for the U.S. Army Corps of Engineers, the Bureau of Reclamation, and the International Boundary and Water Commission. The CRC, in turn, allocates that hydropower from the four dams and sells that to our Nevada customers under long-term contracts. After October 1, 2017, this is the full list of customers that we will have [page 9, ([Exhibit D](#))].

Our energy services group, led by Gail Bates, purchases other power off the power marketing agency and delivers that energy to the members of the Silver State Energy Association and to the CRC for use by the Black Mountain Industrial Complex customers near Henderson, Nevada, for their industrial manufacturing [page 10, ([Exhibit D](#))].

Our power delivery group is headed by Bob Reese. We own, maintain, and operate power and communication facilities in and around Las Vegas, Henderson, and Boulder City [page 11, ([Exhibit D](#))]. These facilities deliver electricity needed for water pumping and treatment, and industrial manufacturing. This ensures the safety and reliability of the CRC's facilities, and the safety of the CRC's personnel and contractors that is critical to health and human safety. That is the biggest reason we are asking for the change with A.B. 11.

The Colorado River Commission owns, operates, and maintains the electrical system that is used to deliver electricity to the Southern Nevada Water Authority. Their systems pump water out of Lake Mead to the treatment facilities in Henderson and into the Las Vegas Valley for their water supply [page 12, ([Exhibit D](#))]. During World War II, the Black Mountain Industrial Complex was put into place by the federal government [page 13, ([Exhibit D](#))]. It was sold to the state and went to the CRC. We became the utility to the Black Mountain Industrial Complex. These facilities are used for industrial manufacturing. We also service the Clark County Water Reclamation District that delivers electricity to their main water treatment plant [page 14, ([Exhibit D](#))]. We have mutual assistance agreements with several entities [page 15, ([Exhibit D](#))]. We help each other out in emergencies because we do not always have enough staff during emergency situations. I have included a list of our power delivery customers [page 16, ([Exhibit D](#))].

In summary, we own, operate, and maintain these electrical facilities that pump water into southern Nevada [page 17, ([Exhibit D](#))]. The Colorado River supplies 90 percent of that water supply. What we are looking for in A.B. 11 is to help ensure the safety and reliability of our facilities in the pumping of water and wastewater in southern Nevada and for the safety of our personnel and contractors. I would go through the bill in detail, but there is not much there. It would add, "... or owned, operated, inspected, maintained or repaired in whole or in part by the Colorado River Commission of Nevada pursuant to NRS 538.161 or 538.166." Those provisions apply to the Colorado River Commissions, enabling provisions for our agency, and our electrical power facilities.

Assemblywoman Monroe-Moreno:

We have already spoken about this together, but I would like to verify some information. Are the transmission lines belonging to other utilities already covered? Is it just those under your jurisdiction that are not covered? Are there other transmission lines that are not covered that we could include in this bill?

Jayne Harkins:

The way I understand the existing statute, when it talks about a transmission line owned in whole or in part by an electric utility, it is as that term is defined in subsection 5 of NRS 704.187. That applies to NV Energy's transmission facilities. There are many other transmission facilities owned by other entities. All we have added is our transmission facilities, which is a very small subset of all the transmission facilities in Nevada. This bill would not cover all transmission facilities.

Assemblyman Wheeler:

Why are we not including all the other transmission facilities? It does not make sense to me to add one facility at a time.

Jayne Harkins:

I do not have a problem with that, but I would want to talk with NV Energy. I would support that change. As an advocate for what CRC needs, I felt I could only bring forward what the

agency needed to start the discussion. If you want to go in that direction, I will work with you on it. I have talked with NV Energy about this bill. They were okay with it. We would have to work with all parties concerned.

Assemblyman Watkins:

Are you familiar with a part of *Nevada Revised Statutes* that references and encompasses all transmission lines in the state for easy inclusion on this bill? Are all transmission lines in the state of Nevada referenced in some place in the NRS, or would we have to do this piecemeal?

Jayne Harkins:

I have no idea. We would have to talk to people who draft bills and do some research.

Assemblyman Watkins:

I can see why you brought the bill in the fashion that you did. I am surprised that others have not hijacked it with amendments. I will do some research to see if there is an easy NRS reference we can use.

Chairman Carrillo:

When we spoke a few months ago, you mentioned that this part was left out in a previous session. Is that correct?

Jayne Harkins:

It was last session that this bill was brought forward. It included only NV Energy's transmission facilities, not any of the others.

Chairman Carrillo:

The bill excluded Colorado River Commission facilities?

Jayne Harkins:

Yes. We are asking to have our facilities included in the definition of critical facilities.

Chairman Carrillo:

Are there questions from any other members? [There were none.] Is there support for A.B. 11 in Las Vegas? [There was none.] Is there anyone in support in Carson City? [There was no one.] Is there anyone in opposition in Las Vegas? [There was no one.] Is there opposition in Carson City? [There was none.] Is there any neutral testimony in Carson City? [There was none.] Is there any neutral testimony in Las Vegas? [There was none.]

Assemblyman Watkins:

I found a number of references to transmission lines in NRS. Are you familiar with the kilovolts that your lines carry? Statute differentiates between 60 kilovolts or more, and 60 kilovolts or less.

Jayne Harkins:

I will turn that question over to Bob Reese, who will know the answer to that question.

Bob Reese, Assistant Director of Engineering and Operations, Colorado River Commission of Nevada:

We have from 230,000 volts down to 4,160 volts in our system. We currently have about 40 miles of 230 kilovolt transmission lines in the area and 11 miles of 69,000 volt lines for subtransmission.

Chairman Carrillo:

Do you have any closing remarks?

Jayne Harkins:

I do not. Thank you for your time.

Chairman Carrillo:

We will now close the hearing on A.B. 11. Is there any public comment in Las Vegas? [There was none.] Is there any in Carson City? [There was none.] This meeting is adjourned [4:10 p.m.].

RESPECTFULLY SUBMITTED:

Joan Waldock
Committee Secretary

APPROVED BY:

Assemblyman Richard Carrillo, Chairman

DATE: _____

EXHIBITS

[Exhibit A](#) is the Agenda.

[Exhibit B](#) is the Attendance Roster.

[Exhibit C](#) is a copy of a PowerPoint presentation titled "Regional Transportation Commission," presented by Lee Gibson, Executive Director, Regional Transportation Commission of Washoe County.

[Exhibit D](#) is a copy of a PowerPoint presentation titled "Colorado River Commission of Nevada," dated March 9, 2017, presented by Jayne Harkins, P.E., Executive Director, Colorado River Commission of Nevada.