

Minutes of Nevada Dept. of Transportation
Board of Directors' Meeting
July 6, 2015

Governor Brian Sandoval
Lieutenant Governor Mark Hutchison
Controller Ron Knecht
Frank Martin
Len Savage
Rudy Malfabon
Bill Hoffman
Dennis Gallagher

GOVERNOR SANDOVAL: Good morning everybody. I will call the Nevada Department of Transportation, Board Meeting to order. I trust everyone had a wonderful 4th of July and everyone is so excited about going to work again today, right? All right, we will commence with Agenda Item #1, presentation of retirement plaques to 25+ year employees. Mr. Director.

DIRECTOR MALFABON: Good morning Governor and Board Members. We'd like to acknowledge nine retirees this quarter. First, Pete Baker, a Supervisor I in our Materials Lab here in headquarters, 32 years of service. Danny Murphy, a Custodial Worker, here in headquarters, 30 years of service. Good friend of mine, Dave Sangster, Highway Maintenance Manager in Las Vegas District I, 36 years of service. Terry Norcutt, Highway Equipment Supervisor I in Winnemucca, 25 years of service. And, Timothy Cameron, also from Winnemucca, Highway Equipment Mechanic II, 29 years of service. So, if there's a delay in Winnemucca getting your truck fixed, that's why. James Danen, Highway Equipment Mechanic II, in Reno, 25 years of service. Another friend of mine, Mark Elicegui. He was the Chief Structures Engineer for the Department, Admin II, here in headquarters, 29 years of service. Dana Adolph, a Program Officer III in External Civil Rights, Contract Compliance, 26 years of service. And a Resident Engineer in Reno, Jerry Connors, at 25 years of service. Total of 257 years of service from those nine retirees and we want to thank them for their service, not only to NDOT, but also to the State of Nevada.

GOVERNOR SANDOVAL: So, Rudy, none of them are present?

DIRECTOR MALFABON: I don't think that any are present, I don't see one.

GOVERNOR SANDOVAL: I mean, you can't blame them.

DIRECTOR MALFABON: It's been a long time.

GOVERNOR SANDOVAL: No, that is a long time, but I personally want to thank them, if you can convey to them, I mean, it is extraordinary, that amount of service and obviously that's going to be hard to replace.

DIRECTOR MALFABON: Yes.

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GOVERNOR SANDOVAL: When you have the least amount of service is 25 years to the State. But, to be in a position and commit—or, commit yourself to a career in public service for that, length of time in the Department really is something special. I wish they were here so I could personally thank them, again, I really want to make sure they know that.

DIRECTOR MALFABON: Thank you Governor.

GOVERNOR SANDOVAL: All right. Please continue.

DIRECTOR MALFABON: The next item is Presentation of Awards and we have two awards. One is the 2015 International Parking Institute, or IPI, Partner Project of the Year Award, for the category of \$25-\$200M transportation projects. You may recall that NDOT gave its own Internal Partnering Program Award to this project recently, but we wanted to acknowledge efforts of our NDOT Team and Q&D Construction on the Carlin Tunnels Project. The Acting Resident Engineer—Engineers on the Project, Nick Senrud and Tim Mouritsen, our Project Manager, Dale Keller, Q&D, the Contractor, Kurt Matzoll. Steve Bird was our—one of our Chief Designers on the Project. Chris Deal also. And, I want to acknowledge also the efforts of Jin Zhen, from FHWA, who is also in the audience.

I don't know if any of those individuals are present today? Yes. Okay. Let's take a quick photo op with the Board Members to acknowledge your efforts.

We also wanted to acknowledge the Department receiving the Secretary of Defense Freedom Award. This is an award giving recognition to exemplary support of the National Guard and Reserve Member Employees. We had 17 men and women serve in the last 18 months and it's appropriate that right after the 4th of July holiday that we acknowledge their service to our great nation and it acknowledges that NDOT is one of the employers and the State of Nevada in general, Governor, you've shown a lot of support for veterans. And, the member agencies of the State of Nevada always support the efforts of our employees that serve—have to take military leave for that service and then return back to their jobs with probably stacks of work to do after serving their—their country. So, we wanted to acknowledge the Freedom Award given to the Department as well.

That concludes the awards and I can move on to the Director's Report.

GOVERNOR SANDOVAL: Please proceed.

DIRECTOR MALFABON: Good news. Recently the TRIP report focused on major urban roads in each State and identified which ones are in poor condition and Nevada was second for having the least amount of—that would be interstates, freeways and major arterials, in the urban areas that are in the least amount, in the poor condition. Florida led the nation—

GOVERNOR SANDOVAL: So, we're second in the country?

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DIRECTOR MALFABON: We're second.

GOVERNOR SANDOVAL: What was that again?

DIRECTOR MALFABON: Only 1% behind Florida, so we're moving up on Florida. But, it's a good testament to the folks involved in maintaining the roads and doing the projects that keep our system preserved in good condition.

I wanted to acknowledge Tracy Larkin-Thomason's efforts for coordinating on this Autonomous Vehicle Summit. It will be held in Las Vegas, November 3rd and 4th, possibly having a workshop on regulations, working closely with the Department of Motor Vehicles. And, Tracy has been doing a great job of getting the speakers lined up and getting a venue. Governor, we heard that you will be able to greet everybody on the first day, so we'll start midday on the 3rd and continue on in the 4th and possibly the 5th.

GOVERNOR SANDOVAL: There's some—and we can visit later, but there's a lot of interest in this, so we can connect you up, Tracy, with some of the groups that would like to participate.

DIRECTOR MALFABON: Great. And, Tracy is going to attend an event in Ann Arbor, Michigan, coming up shortly on the same subject. I'm sure she'll make some connections there too.

Good news on the—we updated the NDOT logo for the Safe and Connected—the presentation from the students from UNR on our—kind of a campaign to really focus on those elements of transportation and make it simple to remember. So, it is going to be an element in our logo. I notice that we don't have that in our template for our PowerPoint slideshow, but we will next time. But, thank—again, the students from UNR and from the communication students that helped our staff in making that presentation.

A lot of action occurring on the federal funding situation. As you all know the Surface Transportation Bill was extended through the end of this month. Recently the Senate, Environmental and Public Works Committee introduce their version of the Transportation Bill called the DRIVE Act, developing a reliable and innovative vision for the economy. Senator Heller was successful in getting the I-11 language to designate that as a corridor from the Arizona/Mexico border all the way to I-80 in Northern Nevada.

This is a six-year bill with an increase about nearly 7% in funding, so that they are allowing some—a little over 2-2.5% for inflation. The rest of the increase is primarily to a couple of new programs. The National Freight Program and Major Projects Program. So, this would—the Major Projects Program or the AMP Program would replace Tiger Grants. So, Congress would be in control of that money instead of the President through the USDOT Secretary of Transportation.

So, the House Committees will be doing their efforts as well to come up with their version of the Bill and have hearings. They've been having a lot of hearings on various transportation issues.

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We expect that cash management strategies by the USDOT will start taking place in August—meaning that they'll pay a little bit slower. Right now it's just a matter of a few days to get reimbursement from the Federal Highway Administration or Federal Transit Administration. So, they might take a little bit longer or pay just a portion of what's eligible depending on action by Congress. And, while it's not likely, we could still face a federal fiscal cliff if no supplemental revenue is identified for the extension to the end of the current federal fiscal year, September 30th. Most likely we'll see a short-term extension to the end of that federal fiscal year or the end of the calendar year. But, I wanted to make the point that this issue doesn't affect USA Parkway Design Build Project, that is a State funded project. And Project NEON is going to be a bonded project. So, those two major projects are not affected and we also are putting out all of our federal funded projects this federal fiscal year. And, we'll watch that and keep the Board apprised of any actions on this issue of federal transportation funding.

Wanted to—Governor, you had brought up the point about the GST last month and I wanted to make it clear to the Board Members about the fact that NDOT and the State Highway Fund were treated very generously this last session. For one thing, the DMV cap was set at 27%. Previously since I think 2009, it was from 31-33% cap, which means that they could draw more for administrative costs from the State Highway Fund. With that reduction to 27% that's an additional \$13M that stays in the State Highway Fund each year, instead of going to administrative costs for DMV. Also, the significant one, was what you mentioned Governor, the GST. So, an increment of the—what you pay at your car registration was going to the General Fund. In State fiscal year 2017 half of that will go to the State Highway Fund which is roughly about \$31M and significantly \$63M thereafter. So, that's quite a chunk of money. I think we would like to go back to the Interim Finance Committee to ask for their blessing on that Rest Area Program that was cut from our budget. And—then on Uber and Lyft, other ride hailing companies, the first \$5M goes to the State Highway Fund, so that's \$5M a biennium. So, significant amount of money to the State Highway Fund, through legislative and your actions—

GOVERNOR SANDOVAL: Thank you Rudy, and it's everybody, but there's an important point here because this is part of what happened during the recession to help balance the budget was taking money away from the State Highway Fund and this is part of this budget reform that is occurring and shifting back to where we were before. You know, you look at those numbers and you start to do the math and then if you—you have a multiplier with regard to bonding and such, it's a significant amount of money.

DIRECTOR MALFABON: Yes.

GOVERNOR SANDOVAL: And I guess one question I have, Rudy, is that clearly we have been able to do, you know, construct the projects that we need to build and we have been doing the maintenance that we need to do but with this extra money, do you have anything in mind that you would come back to the Board with to propose other than the rest areas in terms of—you know, it's hard—we're already #2 in the country, so let's...

DIRECTOR MALFABON: Definitely—we definitely will come back with a list for Board approval for additional projects that we could deliver with that additional revenue, Governor.

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GOVERNOR SANDOVAL: You know, I don't know what that looks like. Are there more safety projects we can accomplish? Is there something to do with that EPA action? I know we—we put a lot—invested a lot of money in terms of that, but let's do a—kind of a global look in terms of what we can do and set a list of priorities. But you know, the safety one is always a big one for me and if there are some other crosswalks or lights or what have you, statewide, that we could do, that would probably be where I would start.

DIRECTOR MALFABON: We'll do that Governor and Board Members, bring that back to you, that list for additional projects.

As you know, the four teams short listed are Ames, Granite, Kiewit and Q&D for the Design Build Project. Our draft request for proposals did go out at the end of May and we're doing confidential one-on-one meetings with those four teams. We help a successful Disadvantaged Business Enterprise, or Minority Contractor Workshop so that they could meet and get with the four team members that were gracious with their time to be present at that workshop. So, it's a lot about making those connections and marketing for those smaller minority contractor firms with our prime contractors. The final RFP will be issued in early August. So, we're on schedule with USA Parkway. And, I wanted to also mention that later in the informational list of agreements to the Board, you'll see that we did receive the property right associated with the land in Lyon County. So, that was good news also for USA Parkway to keep it on schedule.

GOVERNOR SANDOVAL: Rudy, just a quick question, where does—would you remind me where the USA Parkway enters and exits off of the 50?

DIRECTOR MALFABON: So, it will be on what's currently called Opal Street in that area. If you think about where Ramsey Weeks Cutoff is, it's—Ramsey Weeks is a little bit to the west of that street.

GOVERNOR SANDOVAL: Okay.

DIRECTOR MALFABON: Update on Project NEON. We held a public meeting successfully on June 10th. A lot of public were present there to receive information on the status of the project. We issued an amendment to the request for proposals, which we felt we would give three more weeks to the Design Build Team so they could assess the impacts of their—their project schedule, their construction schedule because we did update the right of way acquisition schedule in that. Some were significant. And you'll see this month and in the coming months, a lot of condemnation actions by the Board to keep the project on schedule, as best as possible with that right of way acquisition schedule. The negotiations will continue with the property owners and I will cover that in more detail when we get to the condemnation action specifically. But, Project NEON was—the procurement schedule was—we added three more weeks so that could consider those impacts of those right of way parcel acquisitions.

We had the groundbreaking for Carson Freeway. I-11, the Boulder City Bypass is underway. We have, on August 6th, a groundbreaking scheduled for US-95 Interchange, it was recently

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awarded by the Board. Phase IIIA we call that, and we're also going to have a public meeting on September 2nd. This is just one of the many phases on US-95, widening it up all the way up to Mount Charleston. So, it will give an opportunity for NDOT to give the public an update on the current projects as well as the forthcoming projects.

GOVERNOR SANDOVAL: Controller has a question.

CONTROLLER KNECHT: Thank you Governor. Rudy, on the I-11 Boulder City Bypass, do we know yet which side of the State that bypass is going to hug?

DIRECTOR MALFABON: Yes. In response to the Controller. The previous Board action was to adopt the alignment on the west side. So, most likely up US-95 up to the area of Interstate-80. So, Senator Heller's language in the Surface Transportation Bill mirrors what the Board's decision was for the west side and we'll still consider whatever improvements are needed on US-93, on the east side for commerce and for freight movement.

CONTROLLER KNECHT: Thank you.

DIRECTOR MALFABON: Next slide, good news at the Nevada Supreme Court at the Ad America Case, as it was called was—we were—we won that case. I wanted to thank Dennis Gallagher and the legal counsel that he hired to help us win that case. It was significant in that, if we had lost it would've had—it would have cost the State a lot more money for projects like Project NEON where actions taken during the planning stages of a project could be alleged to be taking of property. So, it was important to get that decision by the lower court reversed at the Supreme Court level. What it does is, it saves us from having to pay out compounded interest on some of these properties where a property owner alleges that we took the property years before the actual date that we made an offer to buy the property.

GOVERNOR SANDOVAL: Thank you Rudy and it is a significant case. I was going to ask this question later, but do we get our fees and costs?

DENNIS GALLAGHER: Good morning, for the record, Dennis Gallagher, Counsel for the Board. We will be moving for freezing costs, Governor, regarding the inverse condemnation claim, which was what the Supreme Court reversed. There still is the other claim for pre-condemnation damages that the trial court has not yet ruled on, so we'll proceed with that.

If I might, the significance of this case cannot be overstated. It is perhaps the most significant juris prudence in this State in over a decade for eminent domain cases. Just try to put a quick value to it, well over \$40M on this one case alone, plus the precedent for other cases because the District Court had found, erroneously, but that the Department had inversely condemned this parcel back in October of 2007. So, with the value of the property, interest compounded from that, cost and fees, we probably get up close to just north of \$40M. So, I want to thank all the lawyers that were involved in this. I don't want to call this 'bet the company litigation', but had it gone the other way, it would've had not only a negative impact on Project NEON, but all major projects on a go forward basis. I'm very pleased to report that.

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GOVERNOR SANDOVAL: And, we don't always get good news like this.

DENNIS GALLAGHER: Exactly. So, we can talk about it a little bit more if you'd like.

GOVERNOR SANDOVAL: Well, maybe we'll save it for later in the agenda because I think it's important to provide the opportunity to you—for you to really lay that out. I haven't had an opportunity to view the opinion so I can get it, but I do want to read it myself. Give you some time to gather some thoughts in terms of some topline consequences because of the decision and the meaning of the precedent that it's going to set and maybe a ballpark figure—I mean, if it's \$40M for just this one parcel, I mean, just think what the proportional math is for all the other parcels that could've been involved. All right, thank you.

DIRECTOR MALFABON: Anticipated settlements at tomorrow's Board of Examiners meeting. We have the Wyckoff Settlement was associated with the I-15 South Design Build Project. This particular parcel, we relocated a NV Energy power line and we felt this was a fair and equitable settlement. Our exposure was nearly twice that amount that we settled for. Jensen is a minor settlement associated with the Pyramid and McCarren intersection, there's a lot of temporary easements that we have to obtain for construction. Then, wanted to report also that our Assistant Director of Operations, Reid Kaiser and I are meeting with Meadow Valley contractors tomorrow to discuss the claim.

The negotiation meeting with the USEPA has been postponed until August but we are proceeding with the hiring many of those important positions in our Storm Water Program, so the new Deputy Director that was approved at the legislative session, the new division chief and several other Storm Water Program positions have been announced for filling those new positions.

Last month we had one of the contracts for environmental clean-up that was—we had some discussion about. I wanted to just offer that the—the Districts are willing to prepare more detailed presentations to the Board about these—these types of efforts and the maintenance costs associated with those. Some of it is outsourced, just as the contract that you saw last month. Some of it—a substantial amount is by in-house forces. But, I wanted to show a few slides of the clean-up that's necessary for public safety and Clean Water Act compliance, as well as proper flood control maintenance.

You can see the debris that—as folks, these pictures are from Las Vegas, but we have the issue of trash and litter pick-up up here in the north, not so much the homeless problem that we have and that challenges us in Las Vegas. But, a lot of debris gets piled up in these box culverts and pipes so we have to clean that out.

You can see that we hire these services to come out and clean or sometimes we clean ourselves, power washing, where basically there's waste products left within our right of way.

You can see that there's folks living in the box culverts which is very challenging. We give

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notice to the homeless folks, that we are going to be cleaning up and then we go there again to— to remind them and then, when we do show up, we have to clean up all those materials that are piled up in our box culverts. So, it can be a significant challenge and it can impede the flow of water. It's also a safety issue. So, we want to make sure that we stay on top of that and that's why we have those types of contracts to periodically clean out culverts. We found one area that we lifted up a manhole cover and there were people living in the pipes. So, it's really a challenge. But I wanted to—if the Board would like more information about the costs and more details about this type of program, the Districts are available to give a future presentation on this subject.

GOVERNOR SANDOVAL: Well, given the flash flooding that is possible in Southern Nevada, this really is a human safety problem. But when you look at that propane tank, I mean, there's really a life safety issue there.

DIRECTOR MALFABON: That concludes the Director's report and I'm willing to answer any questions. After the public comment period, also, we'd like to move up Item 12 on the agenda before the approval of the minutes.

GOVERNOR SANDOVAL: I have just a question on an update on the I-80 Project, Rudy, how is that going?

DIRECTOR MALFABON: Okay. The—well, we've got the—should have a recommended.

GOVERNOR SANDOVAL: I should say 395, excuse me.

DIRECTOR MALFABON: Yes, 395, I-80, kind of the intersection, spaghetti bowl. We have a consultant that should be selected by now, so recommendations will be coming to negotiate the contract and we've added some scope of work and anticipated adding that, doing some conceptual sketches of the flyovers and treatments that we'll be looking at as solutions. So, this consultant will be doing the traffic numbers for all of those freeways coming together at the spaghetti bowl, which will be the first step in finding what the solutions are and then, move on into—we'll move on into the environmental clearance of the project. We wanted to start out with some concepts about the constraints. You know, we have the river and the railroad tracks, some other constraints there. We want to know what—what are some of the solutions with some of the flyover bridges and work up some of those concepts.

GOVERNOR SANDOVAL: No, I appreciate that and then the pavement replacement, how is that going?

DIRECTOR MALFABON: That project is going very well. We've had—the traffic control is working well with the crossover of one lane southbound. I think that they're getting ready to switch or they have switched—I just drove through there yesterday too, but it's going very well for the amount of traffic. And, we noticed that a lot of people have found other alternative routes too. There's about a—a significant decrease of about 25% or so less volume of traffic than usual because people are finding other routes.

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GOVERNOR SANDOVAL: Thank you. Any questions from southern Nevada, good morning?

MEMBER MARTIN: None here sir.

GOVERNOR SANDOVAL: Questions from Carson City, Member Savage?

MEMBER SAVAGE: Thank you Governor, not a question, just a compliment, Rudy, administrative staff, it's a good day, when you're #2 in the country. I know everyone is a little sleepy after a three day weekend, we're #2, we saved plus \$40M. I really commend everyone in the Department. It's a huge win today, from headquarters to the districts, down to the maintenance people, I'm every thankful and thank you very much.

DIRECTOR MALFABON: Thank you Member Savage.

GOVERNOR SANDOVAL: Well said, any other questions? All right then, we will move to Agenda Item #4, Public Comment. Is there any member of the public here in Carson City that would like to provide a comment to the Board? Is there any member of the public present in Las Vegas that would like to provide public comment to the Board?

MEMBER MARTIN: No sir.

GOVERNOR SANDOVAL: Then we will fast forward to which Agenda Item is that?

DIRECTOR MALFABON: Item 12.

GOVERNOR SANDOVAL: Item 12?

DIRECTOR MALFABON: Briefing by the Regional Transportation Commission of Southern Nevada on the Transportation Investment Business Plan is Tina Quigley.

TINA QUIGLEY: Thank you for allowing us to present to you today. We've been working for a while on an effort called the Transportation Investment Business Plan. In fact, we've been working on it for almost—about a year now. Pretty hard and in a very intense coordinated manner. About two years ago, Rossi Ralenkotter, President and CEO of the LVCVA pulled a group of us together and it was interesting because it was the first time that I ever sat down with all these different groups. These are all different people who had a responsibility or a nexus for how people move within our resort corridor, like taxis, limos, convention organizers, the airport, the Chamber, the City, the County. And yet, it was the first time ever that we were sitting down as a group to talk about how are we going to make sure that as we continue to grow, that we are not inhibiting or creating a bad experience for our visitors as they travel between where they are and where they need to go. He made it very clear to us that it wasn't about us. It's not about your business, it's about Southern Nevada. So, you need to take your blinders off and if you're here at the table, it means that you're willing to participate and talk about how we're going to make sure that Las Vegas stays globally competitive in terms of

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our travel and tourism destination. He recognizes that his peers, at other convention facilities, are starting to market themselves as being a destination where it's easy to get from your airport to your convention center to your resort, to your hotels.

So, we know we've got 41 million passengers right now. We're an economic generator. The industry generates about \$45B for the State. We have 370K employees. Every weekend we're moving up the equivalent of a super bowl. There are cities who prepare for years in getting ready to move people for a super bowl and we do it every single weekend. It is our life blood.

So, we pulled this together. After a while we realized that this was a very big task and we needed a consultant to come in. We did a competitive nationwide recruit—RFP. We pulled in a consultant, CH2M Hill is the lead on it. They've been working with us for about a year. We have had several meetings and including the resorts. I also need to mention to the fact that the resorts, the Nevada Resort Association as well as members from each one of the resorts is part of this conversation.

And, we have come up with a draft list of recommendations. This draft is broken into near term, midterm and long term improvements. In the near term, we're talking about 1-5 years and in particular we're focusing on Transit Con Activity. So, moving people via mass transit. Additional pedestrian facilities and safety facilities for pedestrians. Street connectivity and mobility in particular, working with NDOT and with the County and the City in creating a network of roadway investment, roadway infrastructure investments that help take people—give some relief to some of our very congested corridors.

Also, a monorail extension. Connecting the Mandalay Bay and the Sands is what we're talking about. Rossi and the Monorail believe that if we had each one of our major convention facilities connected, via the monorail, we could market ourselves as being a destination that has X number of square footage that is connected and people can move very easily between those facilities.

Then, most interesting was our program and policy actions. These are actions that really don't require a lot of money or infrastructure investment and yet, could go a long way in terms of improving the efficiency as to how people move around.

For us, at the RTC, things like providing real time transit information and amenities at transit stops, creating an Event Transportation Management Group. I found this to be very interesting too, that we are the world's destination in terms of travel and tourism and yet, we don't really get together, all the different entities, to talk regularly about each one of our major events and how we're going to move those people. We know where they're going and where they're staying and we know at what times. And, we also know when we've got construction activity going on, or landscape maintenance going on. And we want to make sure that we have got an association where when we're having these conversations about making sure that we don't impede or the movement of that—that traffic.

We also at the RTC are the coordinators of the traffic signalization. So, we need to be taking more opportunities---taking advantage of that opportunity to make sure we're moving people.

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We can do that through the management group and some policies.

Pedestrian connections. Making sure that pedestrian walkways between resort properties break up our super blocks along Las Vegas Boulevard. Talking about addressing employee and visitor parking. Creating policies that increase capacity through consolidated employee parking facilities. Visitor information, deploying a transportation information campaign to inform visitors of their transportation options in Las Vegas. Pedestrian overpasses we talked about and also a way finder system. Implementing a more intuitive way of communicating with our visitors which exits and onramps they need to take to get to which resorts.

So, those are the near term improvements. Midterm improvements are those that should be accomplished or undertaken within the next 5-10 years. These are a little more intense. In particular interest, in requiring a lot of coordination with the airport is a multi-mobile transportation center at McCarran Airport. A center that you would have access to your rental car shuttles, to taxis, limos, mass transit. We'll talk more about that.

Let's see. Under core area high capacity transit, taking a look at bus rapid transit investments as our interim approach to increasing mass transit along the resort corridor.

Freeway, working with NDOT, suggesting new interchanges at I-15 and Maryland Parkway—I'm sorry, 515 and Maryland Parkway at 13th Street to provide enhanced access to downtown Las Vegas, creating an I-15 express exit ramps for high occupancy vehicles, including buses, taxis, limos and shuttles. And also creating direct HOV lane connections from 215 to McCarran Airport.

Also, we are in—there is a—still conversation and we hope that there continues to be conversation about a high speed rail effort between Las Vegas and Southern California. We want to make sure that their plans are integrated with our plans in this blueprint. So, we do talk about a high speed rail station as well, and either a monorail extension to it, or some type of rail extension to it, so we can move people quickly.

Long term improvements and these are the ones that are still a few years away and are going to require a lot more engineering and conversation about financing. The first one is Core Area Light Rail Service, along Las Vegas Boulevard in particular. We want to make sure that we have got connectivity and are moving people quickly along Las Vegas Boulevard and then also, between McCarran Airport and Las Vegas Boulevard. There will be some street level—there are recommendations for street level light rail, as well as, exploring underground portions. It's always scary to say but it is something that we have to continue to have in the conversation as we're moving forward in the long term.

So, these are our major recommendations. We have a lot of work still to do in terms of the conversation and now we are also in the financial phase of it. We call it the Transportation Investment Business Plan because it did have to have a financial component to it. This was not going to be—we weren't going to pull all these people and have this conversation and come up with a master plan, a blueprint, without also having a very responsible conversation about what

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sources of revenues are available for this type of investment. We are outreach and working in DC, we're also working with some major financing houses and the public sector and we will explore—I'm sorry, private sector and we'll explore public sector options as well. We're talking to major other metropolitan areas who have done this work.

None of this is new. We are not the first metropolitan area to talk about major transportation investment. We're at that point, that tipping point where population of 2 million and we're anticipated to grow another 25% in the next 10 years. So, we're at the right time. Where all those other metropolitan areas have gotten past us—Denver is a great example, Phoenix is a great example, we're where they were 20 years ago and so we're having the same conversations that they were at that time in order to keep going.

So, that's just a brief overview and I'll take any questions if you have them.

GOVERNOR SANDOVAL: Thank you Ms. Quigley. Great presentation and very visionary. I was just in Denver and their public transportation was wonderful.

TINA QUIGLEY: I know, isn't it—oh, did you go to Denver Union Station?

GOVERNOR SANDOVAL: I did not, no.

TINA QUIGLEY: Oh my gosh, amazing, yeah.

GOVERNOR SANDOVAL: But that light rail is fantastic up there. One question on your near term improvements on the monorail extension, is there still any discussion of extending that to the airport?

TINA QUIGLEY: There is discussion—they don't see that as the top priority for them right now. They've done, of course, extensive amounts of return on investment, analysis and ridership studies. What they're showing for their business, as being the right decision right now is to connect the convention centers and focus on that market. That doesn't mean that in the future they might not take a look at ridership to the airport.

We're recommending light rail as the mode that accesses the airport. What we like about light rail is that you can expand it into the community. So, as we grow, as we become a Denver, we want to take it into, you know, along Tropicana or along Charleston to access employees or residences, moving them into the core area, that—it's got that flexibility.

GOVERNOR SANDOVAL: And, I don't want to pull you into this debate, but on the monorail, I mean, ridership is not paying for the cost of it and—

TINA QUIGLEY: Well, since post-bankruptcy, their operating in the black.

GOVERNOR SANDOVAL: Oh, they are, okay.

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TINA QUIGLEY: Well, they went from \$640M of debt to \$13M worth of debt, so.

GOVERNOR SANDOVAL: So they—you know, again, I want to make sure that with limited resources, we're putting the money where it will get the best bang for our buck. So, is—you know, is that going to improve things by extending it from Sands to Mandalay?

TINA QUIGLEY: Their ridership numbers show that it will. That extension of course is not nearly as expensive as the extension to the airport would be. So, they—they are working with our team and exploring—going over all the finances. And, we think they've got a good argument for it being a convention connector at this point.

GOVERNOR SANDOVAL: And finally, then I'll move on. You said you've talked about the financing but you didn't mention any ballpark figures.

TINA QUIGLEY: No, I mean, if you were to take a look at our long range stuff, you're certainly in the B's. This isn't the—and, it's important to note that there's different funding sources for the—I mean, this is a stack of—you're talking about a myriad of different types of investments, whether it's policy or actual infrastructure. So, likewise there will be a myriad of different types of financial structures or stacks, as they call them, associated with each project. But yeah, that—that long range stuff, that's—that's going to be in the B's.

GOVERNOR SANDOVAL: All right, any questions from Southern Nevada?

LT. GOV. HUTCHISON: Mark Hutchison here. And, Tina, thank you—thank you very much for your presentation. A couple of questions for you.

TINA QUIGLEY: Sure.

LT. GOV. HUTCHISON: So, you're here presenting to the Board and outlining, you know, near term and midterm and long term improvements, what's the ask of this Board and what's—

TINA QUIGLEY: There's no ask at this point. At this point, it really is conversation and education and coming up with a coordinated consensus blueprint as to where we want to go next. Inevitably some of these recommendations will require very close partnership with NDOT and actually NDOT is at the table with us. Some of these suggestions that are made, these recommendations originate from NDOT. So, yeah, there will be a lot of partnership with the State.

LT. GOV. HUTCHISON: Thank you. And then my—

TINA QUIGLEY: But at this point, there is no specific ask.

LT. GOV. HUTCHISON: My—thank you, my second area of inquiry is about the private sector. You know, we just had a huge debate in Carson City about Uber and taxi services and you know, some people, you know, made different representations about how Uber would

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impact the movement of people to and from the airport and how this is all going to integrate. Has that been considered, you know, or is this just sort of the public side of transportation, moving people—the equivalent of a super bowl every single weekend.

TINA QUIGLEY: So, the Liberty Operator's Association Chairperson, Brent Bell, is on our committee and then also, Iliana Dropkin from the Taxicab Authority are on our committee and they have brought that to our attention, several times. There is going to be some concern and we do need to address this that as part of this—this coordinated conversation we're having.

When we first started this, Uber wasn't even in our vernacular. It wasn't part of our lexicon, we really didn't know much about it. But, now that it is coming, it is definitely going to be part of the conversation we have. We have another meeting in late August and inevitably, that will be one of the items on the agenda list.

LT. GOV. HUTCHISON: So, that's going to be something you'll keep us updated on and we'll learn about—

TINA QUIGLEY: Yeah, as we—we're going to have to take a look at the traffic patterns and how is this affecting congestion, if it was affecting congestion and what type of amenities need to be coordinated as part of this.

LT. GOV. HUTCHISON: And, not only affecting congestion but also affecting the solution to moving people, right? That's the whole purpose of Uber, is to move people around and we were told that, you know, by a lot of people, this is going to be a big part of the solution to servicing tourists in Las Vegas who want instant access to transportation. So, that's all going to be, I'm sure, figured into the mix and it seems to me that's going to have to be sort of a recalculation for you.

TINA QUIGLEY: I think you're right.

LT. GOV. HUTCHISON: Okay. Thank you very much. Appreciate your presentation.

TINA QUIGLEY: Sure.

GOVERNOR SANDOVAL: Before I go to the Controller, just a follow-up question, on the Lieutenant Governor's, so is part of the study—the more you—

TINA QUIGLEY: Plan, business plan.

GOVERNOR SANDOVAL: Plan, excuse me.

TINA QUIGLEY: I get reprimanded all the time for that.

GOVERNOR SANDOVAL: So, the addition of public transportation is going to subtract from rental cars, Uber and taxis, so do you—is there a formula for that?

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TINA QUIGLEY: There's not—we haven't addressed that formula but what we have to remember and actually, I appreciate Iliana Dropkin from the Taxicab Authority, reiterating this regularly to her members that this isn't just—this isn't so much about taking away, this is about adding visitors as well. And certainly for taxicabs, they—they earn their fare by a quick turn. And so, the more—the less congested the roads are, they're actually able to increase the number of turns that they've got. So, yeah, there's going to be changes in how people move but we do believe there's enough for everybody.

GOVERNOR SANDOVAL: Mr. Controller?

CONTROLLER KNECHT: Thank you Governor, Tina. For the benefit of my education, elaborate a little bit on the Russell Road tunnel project, I'm not familiar with that.

TINA QUIGLEY: So, Russell Road is currently an east/west corridor that ends at the airport and yet, it has the potential to be a major east/west connector, giving some relief to some of our other east/west connectors. Going under McCarran Airport is an option that we're going to explore. It's not the first time that this discussion has been held. This is actually something that's been—it's been in the archives that we pulled up. If there is a tunnel there, that accommodates cars, it also could accommodate light rail, giving us access from the airport to the south end of the strip and then turning up towards the north end of the strip. So, that is something that's going to be explored.

CONTROLLER KNECHT: So, it would run from Las Vegas Boulevard more or less, going east, how far?

TINA QUIGLEY: Oh, it's probably one point—I don't know the distance, it's probably about a mile.

CONTROLLER KNECHT: Okay. Thank you, I appreciate that.

TINA QUIGLEY: Sure.

GOVERNOR SANDOVAL: Any closing comments Ms. Quigley?

TINA QUIGLEY: No, I just want to thank your team because they've been at the—Rudy and Tracy Larkin-Thomason, have been at the table for all of these conversations. And it's not easy. Tom Skancke was in the paper this morning and he's quoted as saying, getting to yes is hard. Getting a no is easy, anybody can say no, but getting a yes, what you're talking about is many different business groups as we're talking about in this conversation has not been easy, so I appreciate very much so—

GOVERNOR SANDOVAL: Tell me about it. Anyway, I want to thank you for all this work because I know there has been a lot of collaboration and a lot of effort that's come into that. And, for me, it's exciting. It really is, it's a part of this evolution of Southern Nevada and Las

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Vegas and continuing to keep us as the premier destination in the world. We can—you know, we're building more—these beautiful resorts, but if people come here and they hit a wall in terms of transportation or what have you, they expect the best from us. And this will deliver that. And, as you say, it's going to be quite the investment, but on the other hand it really, I guess, distinguishes us from everybody else and you know, that makes me proud to have the premier destination in the world with premier transportation to complement it.

TINA QUIGLEY: Thank you. I appreciate that, because yes, it is overwhelming and you do get exhausted sometimes, so thank you.

GOVERNOR SANDOVAL: Well, keep up the good work, thank you.

TINA QUIGLEY: Right, thank you.

GOVERNOR SANDOVAL: Okay. We'll move back to Agenda Item #5 which is approval of the June 8, 2015 Board Meeting Minutes. Have the members have an opportunity to review the minutes and are there any changes? If there are none, the Chair will accept a motion for approval.

CONTROLLER KNECHT: So moved.

GOVERNOR SANDOVAL: Controller has moved for approval, is there a second.

MEMBER SAVAGE: Second.

GOVERNOR SANDOVAL: Second by Member Savage. Any questions or discussion on the motion? All in favor, please say Aye. Motion passes 5-0. We will move on to Agenda Item #6, approval of agreements over \$300K. Good morning sir.

ROBERT NELLIS: Good morning sir, members of the Board. For the record, Robert Nellis, Assistant Director for Administration.

Today we have four agreements under Attachment A that can be found on Pages 3 of 19 for the Board's consideration. The first two, line item #1 is Parsons Transportation Group in the amount of \$2,974,924.83. This is for construction engineering services for US-395, Carson City Freeway from South Carson Street to Fairview Drive. And also we have line item #2, CA Group, in the amount of \$2,748,252.58 for construction engineering services for US-95 in Clark County.

And, Governor, I'll pause there in case the Board has any questions for Assistant Director, Reid Kaiser on these two items.

GOVERNOR SANDOVAL: Questions from Board Members? Mr. Controller.

CONTROLLER KNECHT: Thank you Governor, and Mr. Nellis, looking at page 5 of 19,

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there's a few comments at the bottom of the page, why NDOT keeps paying for consultant vehicles, cell phones, nuke gauges, question mark and then there's some discussion there but what's the issue there, that was being raised there and what's the answer to that question?

REID KAISER: Again, for the record, Reid Kaiser, Assistant Director of Operations. Member Knecht, those are just estimates and the question was, why are we paying for those? Again, those are just budget items. Those are costs that the consultant will be bearing and so we need to cover those costs somehow. Again, those are just estimates and when we do meet or negotiate with a consultant after they've been given a contract, we negotiate those prices. For cell phones and nuclear gauges, those are good estimates but for this certain agreement, we actually budgeted it or negotiated it down to \$1,300 per vehicle. We've ran those costs through our equipment division and those are real costs that you and I would also have to pay had we go—had we had to go rent a piece of equipment like that.

CONTROLLER KNECHT: So, it's a standard practice to compensate them directly for those cost elements?

REID KAISER: Yes Member Knecht.

CONTROLLER KNECHT: Thank you. Thank you Governor.

GOVERNOR SANDOVAL: No other questions?

MEMBER MARTIN: Governor?

GOVERNOR SANDOVAL: Oh, we do have a question, Mr. Martin?

MEMBER MARTIN: I see a difference, Reid, in what the—for the Parsons, for \$2,974,000 but then when I go to the same page that Member Knecht was talking about, it says the total estimate cost for the services are \$3,939,000—what's the million dollar difference?

REID KAISER: Again, those are just for budgeting purposes. On the first sheet, we have to get a—we have to have approval to go negotiate or get an agreement. So, those are just budget amounts on that first sheet and the actual agreement costs are what's in the line item that we're talking about.

MEMBER MARTIN: So, is that the \$2.9M?

REID KAISER: Yes.

MEMBER MARTIN: Not the \$3.9M.

REID KAISER: No, the \$2.9M is for the two year agreement with Parsons.

MEMBER MARTIN: Okay, but—okay, and that takes you through 2017, correct?

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REID KAISER: Yes sir.

MEMBER MARTIN: Okay. And, the next question is, at that \$2.9M for a 400 day contract, that's \$7,500 a day. That seems like a lot of help.

REID KAISER: Yeah, what's going on with that construction crew, Member Martin, is we just promoted that resident engineer to the construction office and there's rumors on the street the assistant it going to be retiring in the next couple of months, so that agreement hires Parsons as an assistant resident agent or a number two person on the project for us. And, that person who was filling that position has 25+ years with the Department. Worked as an assistant district engineer for Thor Dyson. Worked as a resident engineer for many years for the Department and we felt that that Parsons would supply some of the experience that we need to run a project like this. The people we do have coming up don't quite have the experience that this person has.

MEMBER MARTIN: Okay, thank you.

GOVERNOR SANDOVAL: Anything else Frank?

MEMBER MARTIN: Line Item #3, Reid, it has a requirement, if I can find it here of a percentage DBE. Yeah, it has a requirement of 2%. The DBE goal for this agreement has been established at 2%. I was recently involved in a discussion with Tracy and a number of other folks on the Boulder City Bypass project that was awarded to Fisher. And, it was explained to me in great detail how staff had went and got copies of bids from the DBE subcontractors, they had checked them out and done all of that kind of stuff. I'm wondering if y'all have seen the proposed list on the DBE firms and if you checked out and made sure that they had in fact provided proposals to the—to the service provider.

REID KAISER: Member Martin, I'll ask to give this over to John Terry.

JOHN TERRY: John Terry, Assistant Director for Engineering. It's a little bit different situation here in that, you were talking about a bid situation where we had specific items that were in a construction bid and in that case, they must be held exactly to what they bid and in fact, the DBE goal becomes what they bid. In this case, this is a competitive procurement for engineering services, which is negotiated after you have the successful engineering firm in this case. And so, then as a part of the negotiations with that, they submit, show that they're over 2% but then we negotiate that and they're still over 2%. So, it's a similar but slightly different process when you're talking about a negotiated agreement. But yes, they are held to the DBE percentages as we go through this and it will be tracked through the course of the agreement. Did I answer your question?

MEMBER MARTIN: No. I'm not seeing the difference between the two processes. You've got competitive proposals for this. Part of the RFP was 2% DBE, correct?

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JOHN TERRY: Yes.

MEMBER MARTIN: Which is exactly the same process that Fisher and Las Vegas Paving went through on the Boulder City Bypass, correct?

JOHN TERRY: Yes, except that we negotiate after we choose a selected consultant and—and during those negotiations, we assure they stick to that 2% or above, as they were submitted in their proposal. There is no cost in an engineering proposal when it's submitted.

MEMBER MARTIN: Okay. I—so, what you're saying is, there's two different standards. One for engineers and one for contractors.

JOHN TERRY: Because engineering procurements cannot include cost as a part of the selection process by law, that cost element has to be part of the negotiations.

MEMBER MARTIN: It can—it can include naming who the proposed DBE firms are, correct?

JOHN TERRY: Which is exactly what they do. It's just the exact percentage isn't established until the negotiations.

MEMBER MARTIN: So, you have seen the proposals or the proposed listing of the DBE firms on this.

JOHN TERRY: Yes.

MEMBER MARTIN: Okay. All right, thank you, no further questions.

GOVERNOR SANDOVAL: Member Savage.

MEMBER SAVAGE: Thank you Governor. At this time, I would like to disclose, I will need to recuse myself from voting on Line Item #1, due to a potential conflict between the Parsons Transportation Group proposed personnel and the other engineering company, CME, of whom originally proposed as well. I remain cautiously concerned about NDOT's evaluation and selection process for engineering consultants. As I have said many times in the past, NDOT's process for selection of contractors and consultants must be consistent and transparent, ensuring trust to all proposers.

I know recently at last month's Construction Working Group meeting, we initiated a review of the Department's current process to evaluate and select engineering consultants and we will continue to do so at the next CWG meeting. Thank you Governor.

GOVERNOR SANDOVAL: Thank you Member Savage.

ROBERT NELLIS: Governor, for the record, Robert Nellis. Just to finish up on

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Agenda Item #6—Item #3 is with Jacob's Engineering Group for preliminary design services in the amount of \$2,645,000. This is for the I-15 corridor, from US-95 and Rancho Drive to I-15 and Wyoming Avenue grade separation in Clark County. And, finally Item #4 is for legal services in the amount of \$400,000, to represent and advise the Department in eminent domain, condemnation matter for Project NEON. Does the Board have any remaining questions on these last two items?

GOVERNOR SANDOVAL: Questions from Board Members?

MEMBER MARTIN: One last question sir, who is—on Item 1, 2, 3 and 4, who is the proposer? In other words, who is the competitive—who is the person—who are the other people that have responded to the RFP for 10215, 13515, 55614?

ROBERT NELLIS: This is Robert Nellis, for the record, I can get that to you, Member Martin, after that Board Meeting. I don't have that information with us here.

MEMBER MARTIN: Okay. And, if you could, I'd appreciate seeing the basis on which the selections were made. In other words, the scoring sheets and all of that, following line with what Member Savage said. I too have a concern about the procurement process for these types of contracts.

ROBERT NELLIS: Okay, Member Martin, we can get that to you as well.

GOVERNOR SANDOVAL: Mr. Terry, do you have any top line response to Member Martin's question?

DIRECTOR MALFABON: Governor, I do know that at least on #1, the three firms that were interviewed, it was CME, as Member Savage mentioned, Parsons Transportation Group who was successful in winning the award and HDR was the other firm that led a team for construction management services.

LT. GOV. HUTCHISON: Governor, just a follow-up question down here.

GOVERNOR SANDOVAL: Yeah, let me ask a question first and then we'll go to Lieutenant Governor, but can you just give a brief synopsis of what are some of the considerations that are made when those selections are made?

DIRECTOR MALFABON: Typically the first step was submittal of a proposal, as Mr. Terry indicated and it includes all the team members. So, the names of the individuals on the team as well as the companies that they're associated with. And you get some background information. That ranking took place. We went to an interview of the top three firms, which were mentioned, HDR, Parsons, and CME. Those teams had an interview process and then Parsons won based on the scores, the ranking of the people represented on the team that reviewed or conducted the interviews.

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We did have a meeting with CME afterwards and they had some suggestions that we were—are talking about modifying our process to address some of those concerns. Because some of these selections are very close in scoring, so you might get a team member that ranks, team number one, and second team number two, and they might be reverse, so kind of a tie almost was broken by the—one of the other reviewers on the case of #1, Parsons Transportation Group just barely beat out the second HDR, but after the—I think what the concern was from CME was, after proposals, they were ranked #1 and we felt that it was because NDOT had not contracted out construction crew augmentation services in a while that it would be fair to go to an interview process for more information to the interviewers and they—that was how the scores came out. They take the rankings from those scores, so it's—it takes into account a ranking and then whoever wins out on the lowest ranking, closest to #1, in other words, gets awarded the project.

And then the—one of the things that CME asked for was more upfront notice and better debrief, more information on the debrief that would help them be more successful and competitive in the future procurements.

GOVERNOR SANDOVAL: Do the scorers know what each other are doing?

DIRECTOR MALFABON: Yes, there's—the process is, they submit their scores—there's two processes available, but you have to identify—the project manager for procurement staff have to know in advance what process you're going to use. So, the first process is, you submit your scores, they get compiled and then you have the clear winner based on the scoring, the ranking.

The other process is more of a collaboration, a discussion, an agreement. We use that process with construction manager at-risk procurements or CMAR procurements. Where there's more open discussion. The process used for this one, for #1 and probably #2 was more of a, here's the scores, they're compiled and then the results are what you get. There's no discussion after the scores are submitted. But, what we looked into was more of a collaborative process where there's more open discussion. It's an option available. As long as it's identified upfront, going into the procurement.

GOVERNOR SANDOVAL: But, if I were sitting with you and I was on this team, would I know what the math is on—

DIRECTOR MALFABON: You would only see it after all the scores are compiled, so.

GOVERNOR SANDOVAL: All right. Mr. Lieutenant Governor.

LT. GOV. HUTCHISON: Thank you Governor. My question is on, as you may suspect, Item #4, with the legal services. Just like to get a feel—I think I've been—we've had the discussion before that I don't believe that legal services are subject to the RFP, and if that's the case, maybe Dennis you could just help us on the same kind of spirit of what we're talking about here in terms of how Carbajal was selected. I went back and I looked at the open outside counsel contracts, it seems that they've done one—or at least currently are doing one project for NDOT.

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I'm just curious, what's the process on this new selection and this new contract for legal services?

DENNIS GALLAGHER: Good morning, Dennis Gallagher, for the record. Counsel for the Board. As you noted, Lieutenant Governor, they're doing some work for NDOT now. That was based upon a selection some time ago. Periodically we reach out to the legal communities and solicit for expressions of interest. Asking firms who might be interested in doing eminent domain work to provide us information regarding the qualifications of the lawyers who would handle the cases, a little bit about the firm, the types of cases, eminent domain cases that they've handled in the past—we've taken those responses and those with good qualifications, those with a good hourly rate, are put into a pool and I think the last time we reached out, Lieutenant Governor, for expressions of interest was perhaps a year and a half ago and we're getting ready to do it again because of the change in the legal landscape. Some of the firms that were there a year ago aren't there anymore or they're in a different firm. So, we want to get the best that we can for the State.

In this particular matter, you might have noticed that it's perhaps a little bit more than some of the other requests for legal services that we've done in the past. The reason—there's two reasons for that increase. One, I don't like coming back for increases and I'm sure the Board doesn't like to see those. Two, this particular parcel is a critical parcel in the commencement of Project NEON and it is currently occupied by a national fast food franchisee. So, it's a little more complicated.

For example, on relocation, we don't know yet until we see the agreement with the franchise, or whether or not there's any geographical restrictions on moving this business. So, this firm involvement was with Jericho Heights. That was another action that we got a very good result from. They were one of a number of firms that worked on that case.

I hope I answered your question Lieutenant Governor?

LT. GOV. HUTCHISON: Yes, Dennis, thank you. What I think I'm hearing you say is that you really have a pool of law firms that you—I assume that you personally have reached out to as the lead lawyer at the AG's office, knowing firms who have expertise in eminent domain and condemnation actions. Then you just sort of rotate, I guess, you just kind of look and just sort of rotate it and make the selections yourself. There isn't a—there isn't a formal rotation process, there's not a formal RFP process, it sounds like it's kind of a subjective determination by you based on the needs of the case.

DENNIS GALLAGHER: Lieutenant Governor, yes, to a degree there is subjectivity to it. Some of the factors I consider is, how many cases are they currently handling for NDOT, what other cases might they have, who some of their other clients might be, are they representing the County? A utility—so, we want—we want to be their number one client for these cases, especially the Project NEON cases. We want their attention and to that degree, yes, there is some subjectivity in it, but it's also based upon their respective records, both representing the Department or other governmental agencies in eminent domain actions.

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LT. GOV. HUTCHISON: In your outreach efforts, Dennis, do you—I assume you reach out to the entire State Bar of Nevada, both north and south, rural areas—they get some sort of notice or some kind of indication that if you're interested in this kind of work, we're interested in talking to what you want to do here and what your qualifications are.

DENNIS GALLAGHER: That's correct Lieutenant Governor, in fact, the new announcement is sitting on my desk for review and we would publish that in both the Clark and Washoe County Bar Association Journals.

LT. GOV. HUTCHISON: Okay, great. Thank you very much Dennis, thank you Governor.

GOVERNOR SANDOVAL: Thank you Mr. Lieutenant Governor. Mr. Controller.

CONTROLLER KNECHT: Thank you Governor and Dennis, I have a question on the same item. It's a little different question. It goes to the staffing levels and support that the Attorney General's Office provides for these kinds of contracts and these eminent domain actions, can you tell us what level of support and staffing related to this you'll be providing and why it's necessary to go out for outside assistance on this instead of planning to do it in-house?

DENNIS GALLAGHER: For the record, Dennis Gallagher, Counsel for the Board. Mr. Controller, currently I have four deputies located in Clark County who are dedicated almost exclusively to eminent domain actions. The reason we supplement that group with outside counsel are simply the project needs. There is frankly no way that we could get the eminent domain condemnation actions that are necessary for Project NEON with—with that level of staffing.

The Legislature was kind enough to grant five new positions to the Attorney General's Office, two lawyers, two legal researchers and a legal secretary. Those five new positions are also earmarked to be dedicated to eminent domain in Clark County. Both—well, I-11 right now is almost wrapped up, we've only got one more case. But, Project NEON and then future projects, the widening of 95, that group will be dedicated but there will be times where we'll need additional resources given the project timing.

CONTROLLER KNECHT: A little follow-up on that. Do you anticipate in the next 10 years that the volume of eminent domain work will contract somewhat and that's part of the reason why you don't want to staff up to do this in-house, but rather to contract basically for case load management reasons?

DENNIS GALLAGHER: Well, Lieutenant Governor—excuse me, Controller. As I look back historically, for purposes of addressing that issue, it's been feast or famine. There have been times where there has been little or no eminent domain activity. Or, little or no significant eminent domain activity. Other times, like right now, finishing up the Boulder City Bypass, looking forward to all the properties that are necessary for Project NEON and other future projects that the Department will pursue. I think the Attorney General's Office will be fully

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engaged in eminent domain activities and will need, on a case-by-case basis, outside resources in the form of outside counsel.

CONTROLLER KNECHT: Okay, the reason, Governor and Mr. Gallagher and other members, for my question is, I received a letter from a citizen asking these questions and asking, quite frankly, whether perhaps the in-house staff wasn't too timid about litigation. You may have seen this Mr. Gallagher because a copy went to the Attorney General. But, your explanation for the record here is, that this is one of those things where, as you said, looking historically, looking forward, you can't really count on the sustained volume of work that you would need to justify in-house staffing. Since it comes in waves and slugs, you basically put this under outside contract and meet the peaks and shoulders with that?

DENNIS GALLAGHER: For the record, Dennis Gallagher. Mr. Controller, I don't want to convey the impression that the Attorney General's Office is not engaged in eminent domain. As a matter of fact, I have two deputies in court, today, in Clark County, arguing certain motions for a matter in which will commence next Monday which is scheduled to be a two-week jury trial, on Project NEON.

So, our office is very engaged. We're developing the expertise and you know, simply it's a matter of volume right now. As you may know now too, PISTOL, the constitutional amendment that was enacted a few years ago, there's a provision in that that if property is not used for the purposes for which it was acquired within five years, the property owner can buy it back at the same price he was paid for it. And, you can just imagine the chaos that that could create for something like Project NEON where property would be acquired, sold back and then we'd have new values, five years from now—it would make the Department's planning process extremely difficult and it would make the process of acquiring property, I think, far more costly to the citizens of the State of Nevada.

CONTROLLER KNECHT: Thank you Mr. Gallagher, and thank you Governor for that.

GOVERNOR SANDOVAL: I think it highlights this case that was just won in the Supreme Court. If we did litigation first, we would've settled that case a while ago and the law would remain the way it is now with that uncertainty because we took it on and frankly, we're unsuccessful at the District Court level which would've encouraged perhaps resolving it at that point, but we went on to the Supreme Court and got the decision that we got. And, that took some courage to get that done and a lot of risk, but frankly something that not only did we have to—we needed to clarify that moving forward, one way or the other. Like I said, it could've cost us \$40M plus, that we know, but on the other hand, you know, like you said before when, Mr. Gallagher, when you make your presentation later on in the agenda, that was just one case, one parcel, that \$40M and the multiplier on that I'm sure is substantial.

All right, anything else Mr. Nellis?

ROBERT NELLIS: That concludes Agenda Item #6 Governor.

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GOVERNOR SANDOVAL: Board Members, any questions with regard to Agenda Item #6? If there are none, the Chair will accept a motion to approve all of the agreements described in Agenda Item #6.

CONTROLLER KNECHT: Governor, question on that. Would it be appropriate to break that down to Item 1 motion and an Items 2-4 motion to accommodate Member Savage's need to recuse himself?

GOVERNOR SANDOVAL: Did you say you were going to recuse yourself?

MEMBER SAVAGE: Yes.

GOVERNOR SANDOVAL: Oh, I'm sorry. I missed that. All right. Then, I'll take a motion on Contracts 2-4, described in Agenda Item #6.

MEMBER MARTIN: So moved Governor.

CONTROLLER KNECHT: Second.

GOVERNOR SANDOVAL: Member Martin has moved for approval of Contracts 2, 3 and 4 in Agenda Item #6. The Controller has seconded the motion, any questions or discussion? All in favor say, aye. [all say aye] Oppose, no. That motion passes 5-0. I'll now take a motion with regard to Contract #1, in Agenda Item #6 with Parsons Transportation Group.

LT. GOV. HUTCHISON: So moved Governor.

GOVERNOR SANDOVAL: Lieutenant Governor has moved for approval. Is there a second?

CONTROLLER KNECHT: Second.

GOVERNOR SANDOVAL: The Controller has seconded the motion. Member Savage—

MEMBER SAVAGE: For the record, I will recuse myself on Item #1, abstain, thank you Governor.

GOVERNOR SANDOVAL: We have a motion and a second, any further discussion? All in favor say, aye. [all say aye] Oppose, no. That motion passes 4-0 and if the record would reflect that Member Savage has recused himself from that vote, he did not participate.

We'll move to Agenda Item #7. Mr. Nellis.

ROBERT NELLIS: Thank you Governor, Board Members. There are two attachments under Agenda Item #7 for the Board's information. Beginning with Attachment A, there was one contract that be found on Page 4 of 11 in your packet. The project is for five schools in Washoe County, under the Safe Routes to Schools Program for construction of sidewalks, gates,

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steps and pedestrian signals. There were five bids and the Director awarded the contract to Granite Construction Company in the amount of \$491,691.60. Does the Board have any questions for Assistant Director, John Terry, regarding this contract?

GOVERNOR SANDOVAL: Any questions from Board Members? Does that complete Agenda Item #7?

ROBERT NELLIS: Actually, we have Attachment B, Governor.

GOVERNOR SANDOVAL: All right, please proceed, I'm sorry.

ROBERT NELLIS: That's all right. Under Attachment B, there are four executed agreements. These can be found on Pages 7-11, for the Board's information. Items 1-5 are cooperative and inter local agreements. 6-19 are acquisitions and facility agreements. 20-23 are property sales and right of way access. And, lastly, items 24-43 are service provider agreements.

And, Governor, that concludes Agenda Item #7. Does the Board have any questions on any of these agreements?

GOVERNOR SANDOVAL: Yeah, I did have a question on 25. So, Mr. Gallagher on that Chapman Law Firm, do we pay them, do we wait on the outcome of the potential motion for fees and costs?

DENNIS GALLAGHER: For the record, Dennis Gallagher, Counsel for the Board. Governor, I believe this item is merely to extend the existing termination date of the contract. There's no additional fees that are payable at this time.

GOVERNOR SANDOVAL: Any other questions from Board Members? Member Savage.

MEMBER SAVAGE: Thank you, Governor. Mr. Nellis, Item #24, the CMAR project that we have with the escalators, I know it's been discussed at several board meetings, would just like to know current status. I know we paid close to \$290,000 to this point and we're moving forward with another approval of \$537,000. So, if you could update us, Mr. Terry, I would appreciate it.

JOHN TERRY: Again, Assistant Director, John Terry. We had hoped to come to this Board Meeting with a GMP for the first portion, which would've been the purchase of the escalators at this Board Meeting and we weren't able to get that done. It will be at the next board meeting. And, continue the struggle with the project. The reason for this amendment really is, the breaking the project into phases to try to get some of it open early and to deal with some of the other challenges of it. Frankly, this is more money under the CMAR, or the design portion where we get the contractor's assistance has become more complicated than we thought it would be. While I can't guarantee it, we're hoping some of this money will be savings in the later parts when we actually have to bid the projects, you know, through the CMAR process, because we've had additional contractor input into the process, but essentially it has become a more complicated

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design. We have, in the past, amended our design to do the more complicated—and this is really to do our contractor, to help us through these design phases. We're a little bit behind our schedule, but we continue to work on the project and anticipate it going to construction in the winter to spring of next year.

MEMBER SAVAGE: Thank you Mr. Terry and the funding of the additional funds is not by the Department, it's by the Las Vegas Convention Authority, is that correct?

JOHN TERRY: Yes, that is correct in that, until we get to about \$19.6M, we're using the LVCVA funding. We presented to their Board, they're aware of it, we know that, but as I've told this Board before, we are going to go over, I believe, the \$19.6M to get the escalators and the bridges to the level we need to. So, there will be some State funds spent on the project, but this portion is under the bonding of the LVCVA against the Room Tax for AB595, that's correct.

MEMBER SAVAGE: Thank you Mr. Terry, thank you Governor.

GOVERNOR SANDOVAL: Mr. Terry, just a follow-up. Is the end goal still to try to finish the same time the new arena is finished?

JOHN TERRY: We're not going to be able to finish at the same time as the arena is finished. The attempt is, and the reason for breaking it into different phases is to try to get the far west bridge, that would be the bridge from the Excalibur to the New York-New York corner, done near the opening of the arena, because that's where we see the vast majority of the increase in pedestrian traffic. I will note that we are even—with that, we're not closing the pedestrian bridges at any time, but you may have to make the more circuitous route while certain portions are under construction. That arena is going up awfully fast.

GOVERNOR SANDOVAL: I mean, I hate to say it, but they're building an arena faster than we can build pedestrian—

JOHN TERRY: I know. I know. I'm amazed at how fast they are building that. And, we are rehabbing old facilities and trying to do it under traffic and upgrade it, so we've had a lot of challenges in doing this but I—I am impressed with how fast they are building that arena.

GOVERNOR SANDOVAL: All right. Any other questions from Board Members on any contract? Mr. Nellis, anything else?

ROBERT NELLIS: Governor, that concludes Agenda Item #7.

GOVERNOR SANDOVAL: Okay, last chance. All right then, thank you.

ROBERT NELLIS: Thank you.

GOVERNOR SANDOVAL: We'll move to Agenda Item #8, Resolution of Relinquishment.

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DIRECTOR MALFABON: Thank you Governor, this is for relinquishment to the City of Reno for the southwest corner at West Sixth Street and North Virginia Street. So, a small corner parcel there that we're relinquishing to the City, pretty much a housekeeping issue that we had neglected to transfer to the City before.

GOVERNOR SANDOVAL: Board Members, any questions with regards to Agenda Item #8? If there are none, the Chair will make a motion to approve the resolution of relinquishment as described in Agenda Item #8.

CONTROLLER KNECHT: So moved.

GOVERNOR SANDOVAL: Controller has moved for approval, is there a second?

MEMBER SAVAGE: Second.

GOVERNOR SANDOVAL: Second by Member Savage. Any questions or discussion? All in favor say, aye. [all ayes] Oppose, no. Motion passes 5-0. We'll move to Agenda Item #9.

DIRECTOR MALFABON: Thank you Governor, this is for relinquishment by the resolution of relinquishment to Carson City. This parcel land is near I-580, south of North Lompa Lane in Carson City. It will continue to be used for public purposes and the transfer will be of benefit to the Department by eliminating all liability and future maintenance responsibilities for this parcel, for NDOT.

GOVERNOR SANDOVAL: Thank you Mr. Director, questions from Board Members with regard to Agenda Item #9? If there are none, the Chair will accept a motion to approve the resolution of relinquishment as described in Agenda Item #9.

MEMBER Martin: So moved.

GOVERNOR SANDOVAL: Member Martin has moved for approval, is there a second?

CONTROLLER KNECHT: Second.

GOVERNOR SANDOVAL: Second by the Controller. Any questions or discussion on the motion? All in favor say, aye. [all ayes] Oppose, no. The motion passes 5-10. We'll move to Agenda Item #10.

DIRECTOR MALFABON: Thank you Governor, this is for condemnation actions associated with seven parcels, five owners involved in these parcels. First one, John J. Charleston Trust of 1998, this parcel is what Dennis Gallagher was speaking to earlier, the fast food restaurant on Charleston that the McNutt Law Firm is being hired for. The State made an initial offer of \$3,239,500, which consists of the property and the improvements. We have not heard back from the owner, so just to maintain the property acquisition schedule for Project NEON, we're

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requesting this condemnation resolution approval. And, I'll move on through all of these Governor and take any questions from—Paul Saucedo, Chief of Right-of-Way is here.

Ranch Properties, LLC, the State made an initial offer of \$1.5M, which is for the land and improvements. Property owner in this case has not responded to the State's offer, and again we're just trying to maintain the acquisition schedule for this project.

Robarts 1981 Trust, we made an initial offer of \$3.0M. This one involves an inverse condemnation action, so an inverse condemnation the—typically in condemnation the State is the plaintiff. In the inverse case, the owner because the plaintiff and they allege that we had an earlier taking or affected their property values or damaged them in some manner. So, this is involved in inverse condemnation case and they have not responded to the State's initial offer of \$3.0M for the land and improvements.

Capri Village Corporation is the next one. We made an initial offer of \$2,091,000 for the land and improvements and the property owner has not responded to the State's offer.

And last is, Desert Alta, LLC. The State made an initial offer of \$1,517,000 for the land and improvements. Again, this is an inverse condemnation action case. The property owner filed against the State and he has not responded to the State's offer.

So, all of these actions are requested so that we can maintain the schedule for Project NEON and then certify the right of way to the Federal Highway Administration for the project.

Any questions?

GOVERNOR SANDOVAL: Thank you Mr. Director. Does this Supreme Court case affect the values of these properties, Mr. Gallagher?

DENNIS GALLAGHER: For the record, Dennis Gallagher. No, the case shouldn't affect the values of the property. The case may impact their inverse condemnation claims which they filed prior to the State's filing a condemnation action. Once we file a condemnation action, they'll merge but the court will look back, they'll—the lawyers involved, I think in at least one, if not the both of these are the same that were representing the property owner in the Supreme Court case. They'll make their argument that again, that the State took this property back in 2007 when the market was near its peak, we will argue it did not.

And, the result of the Supreme Court case, in my opinion, makes these cases far more favorable to the Department proceeding on a condemnation action. We really don't have to worry. I don't believe that the court will go back to 2007 and find that the Department actually took the property back then. I think we'll be looking at closer dates to 2010, '11, '12 or perhaps even 2015.

GOVERNOR SANDOVAL: Thank you Mr. Gallagher. Questions from Board Members? If

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there are none, the Chair will accept a motion for approval of Condemnation Resolution #449 as described in Agenda Item #10.

LT. GOV. HUTCHISON: So moved, Governor.

GOVERNOR SANDOVAL: Lieutenant Governor has moved for approval. Is there a second?

MEMBER MARTIN: Second.

GOVERNOR SANDOVAL: Second by Member Martin. Any questions or discussions on the motion? Hearing none, all in favor of the motion, please say, aye. [all ayes] Oppose, no. That motion passes 5-0. Let's move to Agenda Item #11.

DIRECTOR MALFABON: Thank you Governor, on the—Item 11, it's old business. We have the report of outside counsel cost on open matters and the monthly litigation report. Our Chief Counsel, Dennis Gallagher is able to answer any questions.

GOVERNOR SANDOVAL: Questions from Board Members on Agenda Item #11.

LT. GOV. HUTCHISON: Governor—

GOVERNOR SANDOVAL: Will you go through—oh, I'm sorry, Mr. Lieutenant Governor.

LT. GOV. HUTCHISON: Thank you. Dennis, just a real quick question here. I'm looking at the second page—let's see, yeah, page 2 of 2, on the outside counsel. This was the very bottom, Lambrose Brown, Paralegal Services. We've got a \$250K contract and then, you know, we've spent about \$100K. I can't remember and if I have asked, I apologize, if I've asked why is it that we are contracting out \$250K on these paralegal services?

DENNIS GALLAGHER: For the record, Dennis Gallagher. Lieutenant Governor, we—the Department and the Attorney General's Office needed supplemental paralegal services to help organize all the various documents related to Project NEON into a central database that—where all these things will be retrievable and we can use them in all the different litigations involving Project NEON.

This firm was willing to hire a paralegal for that purpose and the contract was presented and this is—you know, this is the current status of it, but yes.

LT. GOV. HUTCHISON: So—thank you Dennis. So, this is for—what is this like a document management database that's being used for all of the NEON litigation and we needed a paralegal to be able to manage that process and it really is NEON litigation centric and once we're done with that, the reason we have this paralegal, again, kind of getting back to your prior comments—we've got this huge case load, huge data management issue and so this is really a big document data management litigation paralegal service that's being contracted out for Project NEON?

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DENNIS GALLAGHER: That's a fair characterization.

LT. GOV. HUTCHISON: Okay.

DENNIS GALLAGHER: And, as I indicated earlier, the legislature had approved some additional legal researcher positions that ultimately may be able to take care of those duties. There was just an initial need to get this organized and have somebody dedicated to gathering and inputting all the various documents as we work with, really a new software document management system that the Department had acquired.

LT. GOV. HUTCHISON: And, Governor, if I may, just a quick follow-up. Dennis, is this being supervised by outside counsel or by the AG's Office?

DENNIS GALLAGHER: She's engaged by the outside counsel but works hand-in-hand on a daily basis with the AG's office. So, I guess I would characterize it as joint oversight, if you will.

LT. GOV. HUTCHISON: Okay. And then, thank you. Just one quick follow-up. I noticed on the first page of the outside counsel report, the Lemons Grundy Firm that had a great result for us in the Supreme Court that we've been talking about. The Chapman Firm, handled that at the trial level, is that right?

DENNIS GALLAGHER: That is correct.

LT. GOV. HUTCHISON: So, is it typically your practice, Dennis, to then hire different Appellate Counsel, I mean, because I know—I know that the Lemons firm is, you know, an appellate litigation specialist? Is that typically what you do?

DENNIS GALLAGHER: This is the first time I've done it since I've been here. The view was—you know, we put together a strategic legal team because we realize that it's very important that we take consistent positions in the different cases and that an outcome in one case can have a ripple effect in many other cases. When we got the lower court order in Ad America, we realized this was very, very significant litigation. And, with the support of the Director recognized that it would be in the Department's and the State's best interest to get the best appellate attorney that we could. And, Mr. Eisenberg fit that bill.

There's another very prominent appellate attorney in the State, whose name I won't mention. The reason we didn't consider that person was he was a plaintiff in an action against the Department at the time.

LT. GOV. HUTCHISON: Okay. Well, yeah, that's a good reason not to hire those kind of workers. Hey, Dennis, just one quick follow-up and Governor, I hope you don't mind if I just spend a little bit of time on this. But, you know, this whole discussion underscores the absolute vital role that you play in being a good steward of the public funds and providing us information

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and really the exercise of judgement you have. You know, I think—I think—I'll speak for myself, I won't speak of course for the Board, but we really rely on your judgement. When you can do something in-house, inexpensively because we've got staff attorneys that can handle it, then you know, we expect that to be done because that's less expensive probably than going to outside counsel. There are needs though, and this appeal is a perfect example of that. We want to get the best appellate lawyer we can to handle that appeal, that takes a—an exercise of judgment to move that outside, as opposed to maybe have [inaudible] General or the Office in the AG's Office handle that, but it is such critical judgment calls in terms of your involvement on the ground. I know that we—and I in particular—questioned all of these decisions but we are relying on you to really be an advocate for not only the Attorney General's Office but for the Nevada Department of Transportation and being a great steward of tax payers dollars here. We saved a lot of money with this appeal as the Governor has already mentioned. That could've gone the other way with a different decision. And, so my point on the record of saying this is, is that to the extent that we can do things in-house, we should do them in-house, to the extent that's going to lead to an efficient, quality outcome on the legal result we're looking for. We've got to shift that outside counsel—I think—I for one, certainly understand that. We've just got to make sure that those outside lawyers understand that they're working for the State of Nevada. We not only require the best result from them but their best rates as well. If they're working with the State of Nevada and they're getting a fair amount of work, they've got to be giving us the very best rates they can. And, that's a—that's a delicate balance and a tough job. I appreciate your efforts in that regard Dennis, it's not an easy job and I just want to thank you for your work in that regard.

DENNIS GALLAGHER: Thank you Lieutenant Governor. I couldn't do it without the AG support that we have. The deputies that I have, as I indicated, two will be starting trial next week. You may notice in this report under—where we list outstanding litigation, a number of personal injury and wrongful death actions—you'll note there's no outside counsel there. That's all in-house. And, I also would be remiss if I didn't again, recognize the Department and Rudy's support. If we have an issue, if we have a need, Rudy has always got an open door and has provided my office support time and time again. So, it's a very collaborative effort and I'm lucky to have such a good client, including a great Transportation Board.

GOVERNOR SANDOVAL: Any other questions Mr. Lieutenant Governor? Member Martin, do you have a question? Mr. Controller?

CONTROLLER KNECHT: Dennis, back on Attachment A, Page 1, we have our friends at Snell and Wilmer listed again for the Meadow Valley Public Records Case 3389 Docket. Is that action complete and at rest? Is there any—

UNIDENTIFIED SPEAKER: Your sound is muted on your end gentlemen, and ladies.

GOVERNOR SANDOVAL: Can you hear us? So, I had asked if you had any questions Member Martin.

MEMBER MARTIN: No sir, I don't.

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GOVERNOR SANDOVAL: Okay. Did you hear the Controller's question?

MEMBER MARTIN: No sir.

GOVERNOR SANDOVAL: Okay, if you'd ask the question again, Mr. Controller.

CONTROLLER KNECHT: Be happy to Governor. On the Snell and Wilmer item on Page 1 of Attachment A, my question is, is that matter completed? Is it at rest? Is there anything left to do and what are we doing concerning that matter and the status of Snell and Wilmer since we didn't approve a contract extension previously, for good cause.

DENNIS GALLAGHER: For the record, Dennis Gallagher, Counsel for the Board. Mr. Controller, there is a draft informal opinion that is being reviewed by the Attorney General's Office before it's issued. When it's issued—it was requested by the Governor's Office, it will go to the Governor's Office and I'm sure the Governor will share it with others and then it will be an item for the Board to consider. That's the current status.

They are not performing any additional work under this contract and in fact, we just received an invoice for their services, prior to the Board Meeting in May where we told them to cease and desist. So, it's moving but very, very slowly.

CONTROLLER KNECHT: And, we don't need other help to replace them on this matter?

DENNIS GALLAGHER: Not at this time.

CONTROLLER KNECHT: Okay Other general question is one I've asked before, on Attachment A and just again, to put it on the record, we have a number of law firms here with a number of contracts and—I guess I'm looking for your assurance on the record that your monitoring closely their capabilities to handle the total volume of business that we're extending to them in the time frame here going forward.

DENNIS GALLAGHER: For the record, Dennis Gallagher, Counsel for the Board. Yes. And, I think I pointed out in the past that for every one of these contracts there is a Deputy assigned to work with that outside counsel and oversee the billings, review the billings and approve the billings.

So, when we assign contracts out to different firms, we take into consideration their capacity, specifically the capacity for the lawyers at that firm who do eminent domain work. It does me no good for a 100 person firm if they've got two eminent domain lawyers that are buried. They may have a bunch of other lawyers that are available but those aren't the services that we need.

CONTROLLER KNECHT: And that latter part was my concern and I thank you Dennis and thank you Governor.

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GOVERNOR SANDOVAL: Other questions from Board Members? One for you Rudy—how are our projects going? That \$10M that we set aside for the safety—

DIRECTOR MALFABON: The—as we reported previously, the temporary signal opened up on North Virginia. The next one, I think, is the Incline Village Pedestrian Signal and we'll have to get with our designers on some of the other updates and I'll bring that forward to the Board next month. I know that we're having some challenges with utilities, some things that are in the way that maybe there's whole foundations or things like that that we need to relocate utilities which will take a little bit longer to deliver the projects. But, we'll get a full report.

GOVERNOR SANDOVAL: And then, is there any progress or discussion with regard to that Lyon County issue that was brought up by the Commissioner?

DIRECTOR MALFABON: I think that the—they had asked about a couple of issues. One was the signal and I believe that our District Engineer reported that the permit was expected to come into District II, for processing shortly after we had our County Tour Presentation to the Lyon County Commission. There was also some question about the USA Parkway intersection with US-50 and when that will require an interchange. That will, obviously be in the long range when traffic volumes would require an interchange there but for now it was going to be an intersection.

GOVERNOR SANDOVAL: Board Members, any other questions with regards to Agenda Item #11. We've done Agenda Item #12. Agenda Item #13, Public Comment. Is there any member of the public here in Carson City that would like to provide comment to the Board? Hearing none we'll move to Las Vegas. Any public comment from Las Vegas.

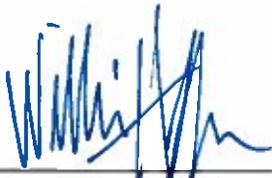
MEMBER MARTIN: None here sir.

GOVERNOR SANDOVAL: Move to Agenda Item #14. Is there a motion for adjournment?

MEMBER SAVAGE: So moved.

GOVERNOR SANDOVAL: Member Savage has moved, is there a second?

CONTROLLER KNECHT: Second by the Controller. All in favor say, aye. [all ayes] Motion passes 5-0, this meeting is adjourned, thank you ladies and gentlemen.



Secretary to Board



Preparer of Minutes