

Transcript of Nevada Department of Transportation
Board of Directors Meeting
September 12, 2016

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

Sandoval: Good morning everyone, I will call the Board of Transportation to order. My understanding is that the Lieutenant Governor and Mr. Skancke are participating telephonically, can you hear us loud and clear?

Hutchison: Good morning Governor. This is Mark Hutchison, yes I can.

Skancke: Governor, this is Tom Skancke. I can as well.

Sandoval: All right. Thank you very much. Mr. Almberg will not be participating today. I see Mr. Martin, can you hear us loud and clear in Las Vegas?

Martin: Yes sir, I can.

Sandoval: All right then. Well, then let's proceed with Agenda Item No. 1 which is to receive the Director's Report. Director Malfabon, good morning.

Malfabon: Thank you Governor. Good morning Board Members. We do have one change in your agenda. Item No. 11, the RTC of Washoe County has asked that it be delayed one month. So we'll bring it back to you next month.

A lot has been happening lately. If you could go to the next slide, DJ. We got this Transportation Blog Website that we saw that Nevada was ranked No. 3 in the nation's roads. What they did was look at information that we give to the Federal Highway Administration, compiled it and did some consolidation of some of that data. They looked at not only the current conditions, and we've reported to the Board previously on good conditions of our bridges being No. 1. Our pavement conditions. They also looked at the additional capacity, the additional improvements that are being added to the transportation system, state by state.

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You can see on the right side, between interstate and local improvements on the roadway system for additional roads and bridges that a lot of infrastructure has been added in Nevada compared to the other states. On the left side, you have the roughest roads. Pavement smoothness is one of the factors that we report and collect data on for the Federal Highway Administration System. You can see that we were ranked third overall, considering all those factors of additional growth of the system. The costs associated with driving have to do with wear and tear on the vehicle, which is associated directly with pavement roughness. The condition, the cracking, the potholes, that affects a car or a vehicle driving on the road. That's how they calculate that. All that information feeds into a good story for Nevada that we're keeping up with growth and we're keeping our system in shape as best as possible with the revenue available.

When I first saw this article, I thought well who is BusBud.com? I didn't really know what they were, but when I saw that they're using our data that we report to the Federal Highway Administration, it seemed that it was something that you could rely on. It's just, they combine all these factors together to make that assessment. So, that was good news.

Other great news. So, in financial management, April Pogue has been working for years in that section and she deals with the programming of the projects. We have mentioned to the Board previously. There's two opportunities to get some of the funds that are left on the table by all the state's Transportation Departments. One is the last day funds but the first one is August redistribution. We asked for \$20M and we received approval from FHWA for \$20M. It's obligation limitation, so it's not new money, it's just more authority to spend money. You do have projects at NDOT—it's more looking at projects that are underway or previously finished. I-580, for instance, previous instances of I-580 that had some cost overruns for change orders. I-11 is currently underway. The bulk of that money goes towards that. We've always advanced money and we get paid back with federal funds. This gives us the ability to get us some more federal funds, a little sooner than later.

Sandoval: I want to make sure I understand this Rudy. Will this supplant some of our state highway money that we may want to use?

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Malfabon: The state highway money—in this case, the state highway money has already gone out on these projects. It gets eligibility for—it uses us, our limit that we're given by the feds, but it means more money coming into the Highway Fund that already was paid out with state funds.

Sandoval: That's what I said, so like you said, there may have been an overrun and we may have not gotten federal money for that, so we would've had to put out state money and now this will replace that state money and flow back.

Malfabon: Right.

Sandoval: All right, great.

Malfabon: It in the case of 580, it was a bonded project, so we're paying ourselves back little by little.

Sandoval: That's a lot of money, congratulations.

Malfabon: Great work by the staff. I know there's several that worked together for that, between planning groups and financial management, it's a good story. \$20M.

Successful groundbreaking event. Governor, thank you for going up to Lake Tahoe for that. You can see that there's a whole contingent of partners on this project. I think I read in the news story that there were 15 partner agencies and groups. I mentioned previously the donations to the Tahoe Fund; I know Carl Hasty in the background in there looking cool with his sunglasses is a partner on that project. Bill Hoffman has really been, my Deputy Director, who unfortunately is not available today has been really the lead for NDOT in getting these groups together and getting this project taken over by NDOT with all those different funding sources. We're very pleased to have that groundbreaking and getting construction underway. You'll be receiving a subsequent maximum price—guaranteed maximum price negotiation to approve the rest of the bike path after it's designed. They're starting out with some of the improvements already that are currently designed.

Sandoval: If I may Rudy, I was just up there Saturday. There's obviously work going on right now, right where Tunnel Creek is.

Malfabon: Right.

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Sandoval: I see, it almost looks like it's going to be four lanes, but I just saw a lot of area that had been graded. Eventually there will be a tunnel beneath the 28, from Tunnel Creek, from that parking area that will go around?

Malfabon: Exactly. It will be a lot safer for bicyclists, pedestrians, to cross underneath rather than to run across, you know, hauling kids, an ice chest and all of that.

I wanted to give the Board an update on the I-15 and Garnet Interchange and US-93 widening project. This is what we call the Apex Industrial Center, the design-build project. We have four teams for the design-build procurement that are prequalified now. We reviewed their qualifications and shortlisted these four teams. What I've listed here is the prime contractors and their engineering companies for design of this design-build project. Ames Construction who we have currently on USA Parkway is teamed up with Horrocks Engineers. The Lane Construction Corporation is a new player. They've done projects before but this is more the larger corporation. They usually team up with a local contractor for that work. Louis Berger Group is their lead design engineering company. Las Vegas Paving Corporation is teamed up with CA Group. Security Paving Company, Inc. is teamed up with—I don't know if it's pronounced Ace or AYCE Consulting Engineers.

One of the things, we noticed that one of them, The Lane Construction Corporation is actually teamed up with Meadow Valley Contractors for the construction phase. I believe that they're—it's a consolidated company but I think it's a subsidiary is Meadow Valley and they're doing the work as ACC Southwest. I just wanted to point out that, although we've never heard of The Lane Construction Corporation, they've done work through Meadow Valley on NDOT projects.

Security Paving Company is associated with the company that did the third straw to Lake Mead. So that tunnel project, it was a very large project. They are in Las Vegas. The corporate name, Security Paving, we haven't seen it before, so I wanted to make that connection for the Board.

The next thing is, we'll release the draft RFP for industry review. The industry, the four teams will give us comments. We do one-on-one meetings with them where we develop the RFP and it's final phase to issue on November 15th. We expect to receive proposals February 13th. Then you will be asked to ratify the

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selection of the design-build team, hopefully April of 2017 and they can start work. They do some preliminary design work so this design effort starts now for the packaging of their proposals. They do some work and that's why we pay stipends to all of the four teams that submit an acceptable proposal to be considered.

NDOT has been doing a study on 515, what a lot of people call US-95 in the east leg in Las Vegas. In a section from, near the downtown area, Charleston, up to the Spaghetti Bowl area. One of the concepts that came out of that initial study was a connection to City Parkway, which is one of the main routes into Symphony Park and the Smith Center for the Performing Arts down there in Las Vegas. Those white buildings that you see, kind of at a 45 degree angle are actually structures that support the World Market Center, the big furniture showcase building.

What you have there is, if you're taking the onramp and you're headed to the right or to the east, you take that off-ramp and you're going to go to I-15 North, you would have a new ramp that would split off from that and connect to City Parkway. The blue line that goes under that green rectangle. The green represents the new bridge.

Conceptually, this looks like it can work. We've looked at some of the clearances on that new bridge that would be required. We think that it can fit in there. The next step is to do some environmental work and also formally request a change in control of access. We're dealing with an interstate system here so the Federal Highway Administration has to approve a change in control of access. It's something that goes back to their headquarters in DC. It looks very positive for that approval. We just wanted to inform the Board that we are investigating this. We are going to have the consultant that was doing the 515 study do a little more work to advance this concept right here. It looks like it could be something we could do sooner rather than later and do it separately from other major improvements on 515 that I'll mention later.

Recently reached a great milestone on Carson Freeway with a 50% completion. If you've driven by the area, you've noticed that there's paving going on. Once paving starts, the next question is, when is it going to open? We're still planning on next year, as soon as possible. I know that when we do asphalt paving, there's

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a final lift of about an inch thick that goes on top to seal the roadway. When you get close to the fall months, the temperatures might not be conducive to doing that final lift. So, as much paving as they're going to do, they're going to try to do this year and then pick it up again after the spring of next year to complete it. There's still other work to do. Sound walls have gone up. We're about 70% complete on the sound walls. They'll finish that. RHB, our contractor, has been doing a great job on installing the rest of the improvements with roadway drainage. Then all the finishing touches, the landscaping and aesthetics and striping will be done next year. Really good news on that project.

USA Parkway, there's been a half a million cubic yards of earthwork moved. They've been doing some blasting out there. Those large trucks that we saw at the groundbreaking event have been really put to use, hauling a lot of earthwork. We held a public information meeting August 11th. It was well attended. Had a lot of community support for the project. Pedro Rodriguez is there addressing the group. That project is moving along. It's kind of quiet because it's a new roadway. It doesn't impact traffic as much, but eventually, they'll do some work down at US-50 for that new connection there, the roundabout that's planned there and currently being designed by the design builder, Ames.

Savage: Excuse me Rudy?

Malfabon: Yes.

Savage: Excuse me Rudy, I just wanted to personally thank Reid Kaiser, Thor Dyson and Sam Lompa. I was able to take a quick tour of the new USA Parkway and very, very inspiring. It is—I felt like a pioneer in the new Nevada. It was—it had the blood boiling. I was looking east over 50. Very proud of our team, Ames Construction, NDOT, HDR. I'm very proud and we're on the right track. Thank you very much.

Malfabon: We're very pleased with the progress of the project. The team that we've got on this project from District 2 is just the A-Team. Sam has been doing a great job as RE and his entire crew and the design team. All of the designers that have different elements that coordinate with the design builder have been doing a great job in supporting them.

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A little update on the Spaghetti Bowl. We've released the request for proposals. The RFP has been issued for the environmental work and the preliminary design services contract. This is the one that the Board and Governor, you specifically were very concerned about getting something done very quickly on the Spaghetti Bowl. It's very important to address the congestion on that interchange. It's a bottleneck, for the Reno/Sparks area. Proposals are due October 5th. We're hoping to bring it to you December, hopefully no later than January for your approval, for the selection of that consultant that's going to perform those services. We can start work on the environmental clearance in 2017 for the big fix for the Spaghetti Bowl.

Savage: Excuse me, Governor, Rudy, do you have any update on the CA Group Traffic Study for the Spaghetti Bowl?

Malfabon: Yes, they will be presenting some of the initial recommendations to the Board. Those will be considered in the environmental stage, so there will be a presentation from CA Group to the Board for the Traffic Study findings. We did anticipate that around this time, by the end of this month, we should have all their initial recommendations for the short/mid-term. The long-term improvements are going to be addressed in the environmental study. We will have a presentation next month by CA Group on the Traffic Study.

Savage: Good because I knew it was this time of year. I wasn't quite sure. I know it's very preliminary.

Malfabon: Yes.

Savage: But it's good to hear they're on track. Thank you Governor.

Sandoval: Thank you and another question Rudy, will this traffic study and what that former slide provided include the North Valleys and some of those other issues that we had brought to our attention?

Malfabon: Yes Governor, good point. The traffic study encompassed a lot more than just that Spaghetti Bowl area. It was 395 north of Spaghetti Bowl which has seen some challenges with, especially the morning commute. They're going to present some information about what their findings are on that. In the peak hours, there is

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a lot of congestion and start looking at what we can do in the short-term to alleviate some of that congestion.

Really interesting find of an artifact on the I-11, the RTC's portion of Phase II. They saw this Native American pottery sticking up out of the ground. You can see kind of the bleached area around the top of that pot that was sticking out of the ground. It was a unique find. Just a museum quality piece that was found out there. It didn't delay construction because it was off to the side of the construction area, but it was within the right-of-way. It didn't cause any delays to the project, but I thought it was pretty interesting to show. We have archeologists to take care of this when it comes up.

Sandoval: I was just asking has it been curated at all? Do we have any idea of—

Malfabon: I was going to follow-up on that. We'll have some more information to come about what happens next for that piece. I assume that it's going to show up in a Nevada Museum. I just don't understand the process about the curating. Once they find it, they have to probably do some—write a paper about it, what it means archeologically.

Sandoval: I'd like to see the providence but also, for sure, get a hold of some of the tribes in Southern Nevada and get their assistance. I want to make sure they're included.

Malfabon: Good, we will. And a lot of the construction that's going on on Boulder City Bypass and Project NEON and all the other projects down South.

I wanted to get to an issue that's really challenging us here in Reno and Sparks. I have some photos here that District 2 staff were able to collect. You can see a lot of people camping under our bridges, in the bushes, the trees, the landscaping around I-80. It's really that area from Evans to about the Virginia Street off-ramp and Center Street off-ramp. It's been a challenge. We clean-up these areas. We get folks out of there. Then they just come back in.

I wanted to report to the Board some of the things we're doing to try to address this situation. We've been working with law enforcement officials, NHP, Reno Police, Sparks Police. We have to enforce our trespass laws from NRS in our right-of-way. We were having problems with these kinds of encampments in Sparks too, people living in box culverts. Compiling a lot of trash and starting

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fires. We have a contract with a security firm that we're going to use for this purpose of giving notice prior to either our maintenance forces doing a clean-up or our environmental consultant that does some of the bio-hazard type of clean-up. We've spent about \$65,000 on that contractor that does the environmental clean-up. It's a significant amount of money to clean these areas, but in some cases, the contractor is better prepared to do those clean-up activities, because of the things that you encounter with these messy sites. It is a challenge. I just wanted to inform the Board that we're doing our best to partner with law enforcement to address the trespass issues and safety issues with people camping under our bridges and within our right-of-way next to our freeways.

Sandoval: Before you move on, the Controller has a question.

Knecht: Thank you Governor. Rudy, on that environmental clean-up contract, what was the vehicle for contracting? Was that one of our Item 7 type contracts?

Malfabon: Yes.

Knecht: Is that an ongoing contract?

Malfabon: Yes, that's an ongoing contract. We have it—each district has the ability to call on that contractor as needed. It's a contract that the Board approves, typically if it's over \$300,000. It just depends on the value of the contract in that district. We've had this going on in Las Vegas and starting to spend a lot more on that issue in Washoe County. Specifically Sparks and Reno. It is something that the Board sees on an on-going basis when those contracts come up. And it's an on-call type contract.

Knecht: And the \$65,000 was expended over roughly what timeframe?

Malfabon: That was just this year. This year.

Knecht: This year?

Malfabon: Yes.

Knecht: How many sites did they clean up or address? Just give us a thumbnail sketch of the scope of what was behind that?

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Malfabon: It's less than a half a dozen sites. They tend to congregate or camp out in certain area where they can not be seen or, you know, as I mentioned, there's usually some bushes or a box culvert, they're hidden away. It's even difficult to see sometimes when you're driving down the highway until you have something, a maintenance activity and then they see it. We get complaints about people cutting fences along the railroad tracks in Sparks and getting into our right-of-way. I know District 2 is doing a lot to stay on top of this. When people see these encampments, they call us so we do get some public reports too about some of these encampments.

Knecht: Thank you.

Sandoval: Just a follow-up, Rudy, is the City of Reno cooperative and responsive when we ask them to go get that done?

Malfabon: Yes.

Sandoval: At least on those bridges where there's a slope and then it flattens out, is there a way that we can fence that flattened out portion to prevent access to that?

Malfabon: We're thinking of those types of solutions. Governor, I think given the fence cutting that we've seen in Sparks, we'd have to stay on top of it. If we see a break in the fence, we just have to repair it quickly with our maintenance forces. That's the kind of solutions we are considering to develop. I was noticing that one bridge, there's actually—you see on the lower right photograph, you see a bridge column, but that's actually a long wall up here that's supporting that bridge. You can't see those people behind there so its easy to get back in there and camp along there. Putting some type of a barrier up there, it would allow us to get in there, maybe a locked gate on a fence, so we could still inspect the bridge but it would keep people out of there. It is a challenge, even with fencing or other obstacles that you can design, there's ways to get around it. We just have to stay on top and maintain those improvements.

We have another groundbreaking event coming up. Tracy Larkin, my Deputy Director in Southern Nevada is going to cover this one. We've started the I-15 North Widening Project, Craig to the Speedway Interchange on I-15. We have this groundbreaking event working with Las Vegas Motor Speedway. This improvement, adding another lane on I-15, each side, northbound and

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southbound, is really going to help with the events that they have at the Las Vegas Motor Speed way. Not only the NASCAR races but all the other events they have there like Electric Daisy Carnival and other events there. They have races all throughout the year, not just the big NASCAR races. We're very excited about this project. It's underway, a big widening project in North Las Vegas, on I-15.

Some meetings that are coming up. I mentioned the 515, the effort that we're going to be looking at for that additional ramp at City Parkway. That actually came out of this project, I-515/Charleston Boulevard Interchange was one of the elements of the 515 Study. It's ongoing. We're going to have a public information meeting on September 22nd at East Las Vegas Community Center to talk about some of the improvements. Specifically at Charleston Boulevard Interchange but also the area from Charleston to Downtown on this 515 Study. We also have a public meeting for our design-build project, the Apex Design-Build Project at the Garnet Interchange and US-93 Widening. It's part of the environmental process. We have these public information meetings on our major projects such as this. That's scheduled for October 6th at North Las Vegas City Hall.

We'll talk some more about this settlement during the appropriate time in the Agenda under Settlements. I wanted to mention about this favorable settlement for K&L Dirt. We settled for \$8.4M, approximately. We ended up about a few million dollars under budget on our right-of-way and I think that it was a testament to the support from Dennis Gallagher and his staff. Also, our outside counsel that we used to deal with some really high profile and we had a lot of risk at stake on some of these issues, using Laura Fitzsimmons. We were able to deal with all the properties on this Boulder City I-11 Project. K&L will return \$1.3M, approximately, in unused relocation expenses. They were looking at significant impacts that they had to move. Even if it was to move out towards the Mesquite area where they were looking at, would've been probably in the range of \$10M just to relocate them. They didn't have to move. We found a way. We modified our design. I think that this settlement, and they returned the \$1.3M, it really was in the best interest of the taxpayers to keep them where they were and to do all that we could to modify our design to maximize the amount of property remaining for them. That completes all the right-of-way takes for the I-11 Project and we're pleased that it came in under budget.

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We will discuss the stadium amendment. I know that the Southern Nevada Tourism Infrastructure Committee makes their recommendations, I believe on Thursday. We'll have to work rapidly to address those recommendations and look at the transportation costs for improvements; either on our streets or highways, that support that type of development.

We'll talk about it some more under that but I'm willing to take any questions on any of the items.

Sandoval: Thank you Rudy. With regard to the stadium, so we'll see what the recommendation is going to be. I would imagine that there's going to be a site that is selected which will allow us to narrow what the impacts will be.

Another question I'd like to have answered is, is that a state—you know, depending on if there is improvements that are required, improvements to an interchange, is that a state responsibility or is that an RTC responsibility?

Malfabon: It's both. It depends on what improvements are needed. One of the things that we had presented to the Board before was called the Transportation Investment Business Plan. TIBP, that RTC did. That identified some of the improvements on I-15 that we were going to do.

With the stadium, we've heard that the developer is looking at those Russell Road sites. We had some plans for HOV ramps from center of I-15 to some of these bridges that we call grade separation. So, some of the Harmon or Hacienda. We were planning on doing that in kind of the next five year period. They do support the location of the stadium. That's something that we would work, we'd likely use federal funds. We'd work through the RTC process to get in their plan which we adopt—the Board adopts as the statewide plan. Some items are obviously the developer's issues, like parking, some of the onsite improvements or offsite that supports the stadium. Anything that is on our roads—typically, we're looking at what we planned on the next 20-year period anyways and it would be some of those, we would just have to make some decisions at the Board level of what we want to accelerate and move up earlier in the schedule.

Sandoval: So, it would be a similar analysis to what we did with USA Parkway and what we're doing with Apex, where these were projects that were on the board but because of development, we accelerated or moved them up on the list.

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Malfabon: Exactly.

Sandoval: And so, within the next five years, at least on this Russell Road site, we asked you, NDOT, had programmed money for improvements anyway. I guess it would—you know, I'd be interested if we had dedicated improvements or planned improvements, if those are still compatible with a development like a stadium or would it be better to reprogram that money in a different way given that a stadium would change the analysis.

Malfabon: Governor, that's exactly the type of first look that we want to do with the study, is to look at—we might have had, for instance, an HOV off-ramp but given that if the stadium was on the other side of the freeway, the HOV system was considering that most of the people are going to go towards the strip where they're employed. But, if people are going to make a right turn because the stadium is on the other side of the freeway of I-15 on the west side, we would have to probably modify our design. Those types of things, that's what we should be looking at is, we might have had a project but let's look at what's needed to support the actual final recommended location of the stadium.

We want to look at—even with some of the improvements that we made, we might have to look at, is there more expansion needed? Another lane or another turn lane at some of the state highways. I think it's getting into some of the possible impacts so that we can design our projects appropriately. We had very high level planning estimates for these projects. They still are very conceptual in nature, although they're in the 20-year plan.

Sandoval: And obviously, this isn't a done deal. It's evolving. There is, at least within the proposed cost structure of the stadium project that includes infrastructure for roads. I'm not sure how much you can narrow it down in that short amount of time and define what we think or what you think those types of improvements would cost, but I know it would be helpful to me.

Malfabon: Yes.

Sandoval: If we could get that. I know there's been some preliminary work but it's been all over the valley. So now that, at least with reference to the site, it's looking more and more likely that the recommended site will be Russell Road. I think that will allow, I suppose CH2M to refine it's analysis.

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Malfabon: Yes.

Sandoval: All right, Board Members, any other questions? Mr. Controller?

Knecht: Thank you Governor. Rudy, I've always treasured your Director's Reports so much that I take the printed copy of your slides with me and keep them in my files but we don't have any printed copies this morning. Can you send an electronic copy to me and I'll print it out.

Malfabon: We've got one coming your way. We must've missed you.

Knecht: Thank you. Thank you Governor.

Sandoval: You're welcome. Other Board Members, any questions? Mr. Lieutenant Governor? Mr. Skancke?

Hutchison: Not from me Governor.

Sandoval: Tom, you still with us?

Skancke: I am Governor. I'm trying to take my phone off all the mute buttons. I have no— just wanted to first of all thank you Rudy for the explanation on the stadium information. I think that it's good that the Department is taking the lead on that, to look at the financial impacts to the Department and the Trust Fund. I don't think it's our responsibility to be selecting sites. There's a different group of people and the private sector would know where the appropriate sites are. Governor, thank you for having the Department take a look at what the impacts would be and Rudy, thank you for moving that along very quickly. We can make the financial analysis and know what the Department's involvement would be. Well done and Governor, thank you for bringing that up last month, to take a look at what the financial impacts are. Not for us to select a site or even make a recommendation, that's not our job. I think it is important for us to look at that. Thank you both for that and I'm going back on mute.

Sandoval: Member Savage.

Savage: Thank you Governor. Thank you Rudy for the Director's Report. Very well done. I do have a question on a possible future report regarding the status of the internal operational audit that's being conducted by Edie Bailey.

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Malfabon: Yes. Next month I think we can prepare a presentation. One of the things we've done is kick off that operational audit. Unfortunately we lost a good manager and our Chief Accountant was helping us out. Robert Nellis has definitely taken the lead while we fill Dave Olsen's position as Chief Accountant for NDOT. We'll present in the future on where we're at with that operational audit. We kicked it off and Robert is helping me out on leadership of that with that consultant.

Savage: That would be great. I realize that it's not completed but I'd just like to get a progress report. Thank you Governor. Thank you Rudy.

Sandoval: All right. Anyone else, before we move on? Thank you Mr. Director. Agenda Item No. 2, Public Comment. Is there any member of the public here? Ms. Rodriguez.

Rodriguez: You remember me.

Sandoval: Of course, I remember you.

Rodriguez: Good morning, my name is Laurie Rodriguez. I'm here on behalf of the Golden Valley Property Owner's Association and by extension the North Valleys. I was here just over a year ago talking about the 395 South, which obviously some things have been done but I just wanted to update you from our point of view.

We have been told, it will take about 8-10 years to add that third lane. Basically because once you come down and hit that North McCarran overpass, that's our problem, is the bridge. We're already outgrowing a project that hasn't even been built yet. We have some new developments that are going in that have been approved over the last few months. No. 1 is called Stone Gate. There are 4,138 homes going in and by their own estimates, they'll be adding 34,000 trips per day. We have North Valley Estates which is an additional 240 homes. We have Northridge Development which is 91 homes. Train Town which is 1,100 more new homes. And Sky Vista, which is 738 apartments.

The traffic studies that Rudy was talking about, some of them are showing our freeway as a C/D, which apparently isn't all that bad, I'm assuming F is the worst. I just want to make sure when they do that traffic study that you were talking about, that they take into account all the traffic that's coming from Sun Valley into the 395 right there at that bridge. You've got all that traffic being driven

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down. They have two lanes coming onto the one lane and we only have two lanes to start with. That's where a lot of our backup happens.

Also, I want to make sure that they add in the number of drivers that are getting off at North Virginia to avoid the freeway. It used to be, you would have just a few cars, are they taking that? Yeah. I was going to comment that one sign we have a lot of traffic is that they're redesigning the North McCarran and North Virginia interchange. The eastbound McCarran to the northbound North Virginia, they're adding an extra turn lane because there's so much traffic being driven north in the evening hours, you can sit for as many as four light cycles waiting to turn left. That's a controlled intersection. That just shows you the amount of traffic we really do have.

Sorry, I'm nervous—I just want to make sure that those get included to show that we're, frankly, worse than what it's showing. The other thing I wanted to bring up was we requested some maintenance on the 395 South in the meantime. Mr. Lake took a video of the cracks and the potholes and everything on this motorcycle. He gave the video to Mr. Hoffman who then passed it on to whoever was supposed to schedule it. I called in the last couple of weeks to Mr. Peter Canavero, I believe his name is. I've left two messages but I haven't gotten a return call yet.

Basically, all I want to know is, where we are on the list to put the goo in, to try and prevent some of the cracks from getting bigger. We have several potholes and the problem its causing is drivers are now swerving in their own lanes to try and prevent them going into the potholes, avoiding the cracks. I'm guilty of this myself, I'm watching the street more than I'm watching the traffic, so our accidents are probably going up. Not me, but I'm not complaining that it's not done, I just want to know a timeframe so I can report back to our Board.

Lastly, I would just like to invite any one of you to please drive up one weekday morning and just see it for yourself. Maybe drive up to Lemmon Valley. If you get off there, they do have a Starbucks, you could relax for a while and then get on the freeway around 7:30, 7:35 and if you have a really good day, you won't have any accidents. If you have any accidents, you'll be there for a while. I was just hoping, you know, one of you would be able to take the time to come up and see what we're talking about—quit laughing—see what we're talking about.

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We're taking the time to come down and tell you about it. I would love it if somebody would just go up and say, oh yeah, they're not crazy.

That's all I had today. Thank you for the work you have been doing. I know they've been moving along on the studies. They're working on the intersections, especially the Lemmon Valley one is the real problem right now because of their developments. Their developments are driving traffic in and now they have a problem with the trucks. They're trying to take the [inaudible] Boulevard, so now they're trying to run them on Red Rock and Lemmon Valley and none of these streets were designed for it but it's also adding to the problem. That's it. Thank you for listening.

Sandoval: Thank you Ms. Rodriguez. I really do appreciate your keeping us informed on what's happening up there and I really think your community should give you credit. I'm serious. Because you really have brought these issues to our attention. We'll make sure that it's part of that study and it is part of that study. With the housing developments and also, as you know, there are several commercial developments that are currently up there as well, that I'm sure will be considered as well because that will increase the truck traffic.

Again, I will do my best to take you up on your offer to be up there. There have been times when I have been up there but not at 7:30 in the morning. But you're right. We know there's an issue there. You have this Board's attention. You have my attention and it will be included in our analysis as we move forward.

Rodriguez: Great, thank you. And if you could have somebody call me back about where we are on the list for maintenance, so I can tell my Board, I'd appreciate it. Thank you.

Sandoval: Thank you.

Malfabon: We'll do that.

Sandoval: Is there any other public comment?

Rodriguez: My cohort in crime.

Lake: Good morning Governor, Members of the Board. I'm Ray Lake. Drove down this morning with Mrs. Rodriguez to talk to you folks today. We left this morning

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at 7:30, so we allowed an hour and a half for the 40 minute drive to come down here. This morning, it moved fairly well. It only took us about an hour. Traffic was backed up this morning all the way beyond Golden Valley Drive to Lemmon Drive. Again, as it normally is, it thinned out about the time we went to beyond the McCarran onramp. That roughly five mile stretch seems to be the worst part of it for us.

Mrs. Rodriguez missed a couple of developments that I had put down that may have been presented before. She neglected, Golden Mesa, 135 units. Wild Stallion, 535 units. North Valley Estates, 245 units. And Northridge, another 91 units. We do have a lot of development going in. We're also going to be hosting the Air Races this weekend and we'll see traffic from that.

It's, I guess, a little bit disconcerting when you're moving along on the freeway at slower speeds than you get on the surface streets. I also brought a copy of the two relevant pages of the traffic study that was done with the Stonegate Development and actually documents the 34,000 trips per day and the peak AM and PM traffic that I'm happy to present to anyone here.

I do thank you for your interest Governor, Members of the Board. It pleases me a little bit to see this happening. I'm still concerned that it's taking an awfully long time. Thank you very much. And I have copies of the traffic study if anyone is interested.

Sandoval: Thank you Mr. Lake. If you would just leave your copies with the Assistant here, behind Mr. Gallagher, that would be wonderful. [pause] All right. Any other public comment from Carson City? Any public comment from Las Vegas?

Martin: Yes sir, one.

Lazovich: Thank you. Good morning Governor, Members of the Board. I'm here today to talk on Item No. 3, just briefly. I, first of all want to—

Sandoval: Ma'am, if you would identify yourself for the record please?

Lazovich: Oh, sorry about that. Jennifer Lazovich, 1980 Festival Plaza Drive, here today representing Lamar Outdoor Advertising. I did want to speak on Item No. 3. I first want to thank the Chairman and all the Members of the Board for giving us the additional time to work with your staff and Scenic Nevada. I in particular

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want to thank Ruth Borrelli and Rudy for their time and professionalism working with both sides. We are today, at least I can speak on behalf of Lamar, are supporting the changes which include the leading redundant references to NAC provisions and also the recent change which would allow digital billboards in counties with a population of 1,000,000 or more to remain at six second dwell times, predominately, that's obviously for Clark County. It was very important to my client Lamar. We have been operating digital billboards here in Southern Nevada since about 2007. We've been doing so on six second dwell times, which is what local ordinances allowed. That was a very important change for us to maintain down here in Southern Nevada.

Again, I just wanted to thank all the parties involved. We do support the revised regulations that are before you today. Thank you.

Sandoval: Thank you Ms. Lazovich.

Wray: Good morning Governor and Members of the Board. I'm here also on Item 3, so I assume this is the appropriate—okay. My name is Lori Wray and I'm here on behalf of the Board of Scenic Nevada. We're here in support of the proposed regulations in Item 3 as well. It's been a long haul for us and at times during the public process on this issue we felt like our ideas and suggestions were being ignored. We don't feel that way today.

First, Governor we'd like to thank you for your—for slowing things down a bit so that there was time for our point of view to be heard. Secondly, we'd like to thank the NDOT Staff. Ruth Borrelli who was such a pleasure to work with and Rudy Malfabon, thanks very much to you for listening to us.

Our suggestions were given more scrutiny as a result of that and we feel progress was made. Our main concerns have always been for protecting the State's beauty and for the safety on our public roads. Our position was the fewer digital billboards allowed the better and we think these regulations overall will provide protection to Nevadans from the nuisance of too many digital billboards.

We hope you approve the regulations and we want to thank you again Governor for attempting to, you know, give us some time and giving direction to slow things down a bit. As you said, this is an important public policy and we've got to get it right. I think we're on that road, thank you.

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Sandoval: Thank you Ms. Ray. Any other public comment? Yes sir.

Barthelmess: Good morning Governor and the Board Members. My name is Adam Barthelmess. I'm the President of Clear Channel Outdoor in Las Vegas. We actually endorse the revised regulations as well and ask that you humbly adopt them.

Sandoval: Will you spell your name for the record?

Barthelmess: Sure, always on the phone too. BARTHELMESS.

Sandoval: Thank you sir.

Barthelmess: You're welcome.

Sandoval: Any other public comment? I hear and see none. We'll move on then to Agenda Item No. 3. A quick question for you Mr. Gallagher. Is there any special procedure that I need to be aware of and with regard to adopting this proposed regulation?

Gallagher: For the record, Dennis Gallagher, Counsel to the Board. No Governor, the proposals before you, if the Board approves it, it will go over to the LCB. I think it's ready to go and I'd also like to recognize, in addition to Ms. Borrelli and her work on this, Senior Deputy Attorney General, Lou Holland who assisted in drafting the compromised language.

Sandoval: All right. Thank you Mr. Gallagher. I suppose I'll say this now rather than say it afterward. For everybody that's been involved in this process, I want to thank you. For me, this is the best way to resolve these types of issues is to bring people together and have the opportunity for each side to hear the other's point of view and perspective. In my former life, I was a Judge and you always get a better result when the parties come together and work it out amongst themselves. It may be that you're not completely happy, I know it's a cliché, but that usually means that's the best resolution of a case.

In any event, this was something that I know was very emotional and had a monetary issue with it as well. Again, it took a lot of hard work. It took a lot of patience. It took a lot of willingness to compromise, to get this done. Rudy, I want to compliment you and the Attorney General's Office, as well as members

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of staff for getting this done as well. Having been on this Board for many, many years, this doesn't happen very often. I don't mean that pejoratively. I mean it as a compliment because it really did show the wisdom of everyone coming together to have this type of result.

As we move forward, people can look back and be happy with what we put into the regulatory structure here instead of people being resentful, frankly, as we move on and drive by, with regard to the business community and the owners of these types of signs. Everybody can feel good about this. Again, my congratulations and my compliments.

Let's proceed with Agenda Item No. 3. Is there a presentation?

Malfabon: Yes Governor, Ruth Borrelli has a presentation. I just wanted to echo those sentiments about Ruth's participation and getting the groups together, getting that consensus of what they all could live with. They wanted something different in the end but they were willing to step up and say, we can live with this, this is good for us. I just wanted to say the professionalism shown by both sides, when Ruth and I met with them, I was really pleased with just how polite and professional they were when we met with them. It wasn't a knock down drag out by any means. We were able to listen to both sides and Ruth really worked with Lou Holland to get something that could work for both sides.

I know that we gave the Board Members the latest and greatest because when we put the packet together, it was the older version and there were a couple of points that Ruth will mention of how they came to consensus. That's what is before you today. Ruth?

Borrelli: Good morning Transportation Board, Mr. Governor Sandoval. Thank you for taking this on the Agenda this morning and considering this proposed language. I had a 30 minute presentation and we felt that because we came to a compromise that that was not necessary this morning. I did want to thank our collaborators, Scenic Nevada and the billboard industry. That included Lamar, Clear Channel and [inaudible], YesCo, several others. Both groups came to the DOT and informed us about this complex issue, gave of their time to educate us and it was really wonderful how involved both groups were with coming to this proposed language. Compromises were made as was spoken about earlier, on both sides.

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Everybody came together and we came to a conclusion of language that we felt was best to present today.

The changes that were made that were completed last Friday evening had to do with the brightness levels and the static display times or dwell times, as some people in the industry call in. For those counties with greater than 1,000,000 populations, the dwell times are six seconds. They're allowed to have a nit level of, maximum nighttime nit level of 350 nits. My presentation was going to talk about what nits were but you don't need to hear that. For those counties with less than 1,000,000 population, the dwell times are eight seconds, two seconds more and the nighttime brightness maximum is 250 nits. That's the majority of the changes. We will continue to have a 500 foot distance between digital billboards on all our routes. The size will continued to be 1,200 square feet.

With that said, after three years of work by all the groups involved, we feel that we have brought together a regulation that allows for local jurisdictional control, balances the interests of all parties and ensures the safety of the public. Thank you.

Sandoval: Thank you. Again, well done.

Borrelli: Thank you.

Sandoval: I had forgotten it's been three years. I think everybody is willing or excited to move on, I'm sure. I don't have any questions. Board Members, any questions or comments? Member Savage.

Savage: Thank you Governor. Just another compliment. A true testament of people working together and the sacrifices on both sides to come to a common understanding for the betterment of Nevada, the big picture. I do call them individuals as well as individual companies and those involved. Thank you. Thank you Governor.

Sandoval: Any questions from Mr. Martin in Las Vegas?

Martin: Yes sir. I read the package and that was put through—put together for the agenda. I felt like everybody had worked really, really hard on this thing. When I read the specific language changes, it was obvious a lot of thought that went into

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it and a lot of cooperation on both sides, from the first presentation a few months ago. Congratulations Rudy.

Sandoval: Mr. Lieutenant Governor.

Hutchison: Thank you very much. I just echo the compliments and thank the groups for working together. I also wanted to point out, for me an important existing provision of these regulations is the idea of local control. Ruth, you had mentioned local control and I thought that was particularly important with the upgrading of existing signs, that that really have a local flavor to it. These signs have different value and different views depending on what part of the state you're in. Las Vegas and Southern Nevada are much more accustomed to these kind of signs and in fact, rely on these signs much more so than some of our rural areas in the state. To me, it was very important that we continue to have the local control with the upgraded existing signs. I was glad to see that that was an important factor that remained consistent throughout this regulation. Again, I just join the choir and compliment everybody for the work and recognizing that there are different views and different needs throughout the State. I think this regulation reflects that. Thank you Governor.

Sandoval: Mr. Skancke, do you have any comments?

Skancke: Thank you Governor. I just wanted to also echo a congratulations to the Department and the industry. Thank Jennifer and Ryan Arnold and everyone that was involved with bringing these groups together and trying to find a cohesive solution so that our communities and our industries can work together. Governor, by holding this item for another month got us to a resolution where everyone wins at the end of the day. Congratulations to the Department and all those involved. It will be nice to move this issue forward. If you're looking for a motion, I'm happy to make a motion for approval.

Sandoval: Prior to that, there's a comment from the Controller.

Knecht: Thank you Governor. Let me make the congratulations and thanks choir unanimous. I do have a—and I mean that to the industry, to the local folks, to the people concerned about visual pollution and especially, Ruth to you and the whole staff, good job. I won't filibuster here so you don't have to take your half hour but I do have a couple of quick questions. One, the attachment that has NRS

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Chapter 410 is dated February 10, 2015, is that current for our purposes? Have there been any changes in the last legislature? Mr. Gallagher, can we rely on this?

Gallagher: For the record, Dennis Gallagher, I believe that is the most current version of that particular statute.

Knecht: Okay. And then, just one other question. I named off and you named off the various interest groups, if you will. The industry, local control, the folks who are concerned about visual pollution—was there any particular, specific representation of the driving public that is interested in getting the information that such signs convey? We understand the downside of visual pollution at the same time. There's a utility, there's a value, there's a public interest in the information. Was there a specific interest group or one of the parties that was involved that advocated that view point?

Borrelli: No.

Knecht: Okay.

Borrelli: But, I'm glad you're bringing it up. That was never—there's never been any pushback for that kind of information being disseminated from any of the groups. Maybe that's why it wasn't heavily spoken about. It was understood that is a great public benefit.

Knecht: It is indeed a great public benefit. Despite that lack of formal representation or concern, I think the parties have done a good job and I'm comfortable with this. Governor, I was comfortable with giving another month to this and you did the right thing. It has turned out right so that we don't have a fight here. We don't have a disagreement. We have a consensus package. I do like the—as a student of public policy and process, I do like to note from time to time when important interests are, shall we say underrepresented in the process and voice concern for them. Governor, with that, I'll turn it back and you can get Mr. Skancke's motion.

Sandoval: Thank you Mr. Controller. And just for clarity, Mr. Gallagher, we've been—we being the Board—have been presented with a document that has the NAC 410.350 which includes all the seminal issues and is the seminal document for adoption?

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- Gallagher: That is correct Governor.
- Sandoval: All right. Board Members, any other questions or comments before I take a motion?
- Knecht: Just one Governor. On that few pages that have been disseminated, do they differ from the Attachment 2 in our agenda package and to the extent they differ, do they just reflect the Friday night agreement?
- Borrelli: That's correct. Ruth Borrelli for the record. Specifically Paragraph 3B is different. That's where the compromised language exists. It breaks out the different population. You have your different dwell times and different brightness levels. There were some minor changes that were made but that was prior to Friday and you had those versions. This was the most up-to-date. If you have the population information in there, that's the most up-to-date version.
- Knecht: Thank you Ms. Borrelli. Governor, when we act on this, I presume we'll be acting on the version that was just distributed to us. Thank you.
- Sandoval: I suppose I probably shouldn't ask this question but this isn't the end of the process as we all know. This proposed regulation goes to the Legislative Council Bureau for approval by the Legislative Commission. I want to make sure that the parties are agreeing today and that there isn't going to be any effort to try to change the contents of this regulation in front of the Legislative Commission. So, if I have a representative from the billboard industry, as well as Scenic Nevada, that would be helpful as well.
- Hillerby: Thank you Governor. Michael Hillerby with [inaudible] representing Lamar Outdoor Advertising. Yes, you have our commitment. This has been the result of a great deal of work and we would love to see this go through as it's drafted. We'll work with your staff and LCB along the way to make sure that it does, thank you.
- Sandoval: And I'm not suggesting anything pejorative, but it's happened before. [laughter] Everybody smiles today and then things change when it goes in front of the Legislative Commission.
- Barthelmess: Adam Barthelmess for the record. You have Clear Channel's commitment to move forward.

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Wray: Lori Wray with Scenic Nevada. You have our commitment as well, Governor, thank you.

Sandoval: Thank you. Ms. Lazovich, I don't know if you're still there.

Lazovich: Hi, Jennifer Lazovich. Mr. Hillerby spoke on behalf of our mutual client, Lamar. I concur. We are happy with the proposed regulations today.

Sandoval: Again, thank you. I hope no one takes this the wrong way. I've been doing this way too long. I just like to button everything down. If we have no further questions or comments from Board Members, the Chair will accept a motion for Member Skancke to adopt the proposed amendment to regulation NAC—or, to NAC 410.350 to allow the issuance of permits for commercial electronic variable message signs which conform to national standards pursuant to 23 U.S.C. Sec. 131; providing various relation specifications and requirements; and other matters properly related thereto.

Knecht: Second.

Sandoval: Let me hear from Mr. Skancke first.

Skancke: Governor, I so move.

Sandoval: All right. Thank you. Member Skancke has moved for adoption. The Controller has seconded the motion. Any questions or discussion on the motion? Hearing none, all those in favor please say aye. [ayes around] Those opposed to say no. That motion passes unanimously. Congratulations. I really, again, appreciate all your efforts.

Let's move to Agenda Item No. 4 which is approval of the August 8, 2016 Board of Director's Meeting Minutes. Have the Members had an opportunity to review the minutes and are there any changes? Member Savage.

Savage: Thank you Governor. Very, very minor change. Page 25, in the middle of the page, four lines down. I was discussing the overhead for consultants. It says, "I know as contractors we'll either get a single digit or low double". Double instead of doubt, digits, as far as overhead. That's all I have Governor, thank you.

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Sandoval: Any other proposed changes? I have a couple as well. Page 8, second paragraph, second sentence. If you would change, have the Members have an opportunity, change the 'have' to a 'had'. Then Page 22, for the bottom of the page, it says Member Skancke, colon, if we would just change that to a period. If there are no other proposed changes, the Chair will accept a motion to approve the August 8, 2016 Nevada Department of Transportation Board of Director's Minutes as amended by Members today.

Savage: So moved.

Sandoval: Member Savage has moved for approval, is there a second?

Martin: Second.

Sandoval: Second by Mr. Martin. All those in favor, please say aye. [ayes around] Those opposed say no. That motion passes unanimously. Let's move on to Agenda Item No. 5, Mr. Nellis.

Nellis: Thank you Governor. Members of the Board. For the record, Robert Nellis, Assistant Director for Administration. There is one contract under Agenda Item No. 5 for the Board's consideration. This can be found on Page 3 of 14. The project is located on SR-604, Las Vegas Boulevard from East Carey Avenue, nearly a quarter-mile north to Craig Road in Clark County for roadway, rehabilitation and concrete bus lanes. There were three bids and the Director recommends award to Aggregate Industries in the amount of \$17,295,592.71. That concludes Agenda Item No. 5. Does the Board have any questions regarding this contract?

Sandoval: Thank you Mr. Nellis. Will you just comment on the overage, on the estimate?

Terry: John Terry, Assistant Director for Engineering. Yeah, we actually discussed this with staff on the estimate and if you look at the detailed estimates, all of the contractors are over us on really our big items which are the basin paving on this contract. Really, we feel it's due to lack of productivity because of the way the traffic control is and how limited their work areas are. While our engineer's estimate attempted to adjust for that, they simply weren't able to. We think, looking at the various contractors against each other that the bids were reasonable.

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Due to the somewhat difficult work environment, because of the traffic control, their estimate is reasonable.

Sandoval: Thank you Mr. Terry. Any other questions or comments? Hearing none the Chair will accept a motion to approve Contract 3619-READV, as presented in Agenda Item No. 5.

Hutchison: So moved.

Martin: Second.

Sandoval: I think that was Lieutenant Governor has moved for approval and Mr. Martin has seconded the motion. Any questions or discussion on the motion? Hearing none, all in favor say aye. [ayes around] Those opposed say no. That motion passes unanimously. We'll move on to Agenda Item No. 6, Mr. Nellis.

Nellis: Thank you Governor. Again, for the record Robert Nellis. There are five agreements under Agenda Item No. 6 on Page 3 of 37 for the Board's consideration.

Item No. 1, with DeAngelo Brothers, LLC in the amount of \$1,390,000 is for statewide rural vegetation control within eight feet of the roadway. Item No. 2 is with CM Works in the amount of \$959,723.49 for augmentation of Crew 906 for SR-160, Phase I Widening Project. Item No. 3 is Amendment 2 with CH2M Hill for the preliminary traffic and cost analysis of seven potential NFL stadium sites under consideration in Las Vegas, as well as alternative routes due to disasters such as flooding. Item No. 4 with Horrocks Engineering in the amount of \$1,166,860 is for subsurface utility engineering services to identify utility location in association with improvements being made on Tropicana Boulevard, Phase 2. Finally, Item No. 5 with HDR Engineering in the amount of \$680,104.76 for risk analysis and financial plans necessary to comply with Federal Highway Administration policies for major projects.

With that, that concludes Agenda Item No. 6. Does the Board have any questions for us on any of these items?

Sandoval: Thank you Mr. Nellis. I have a question on the first contract with DeAngelo Brothers and the vegetation control. Is it environmentally sensitive? We're

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spending millions on storm water and this is within eight feet of the road. I just want to make sure that we're not putting anything toxic into our drains.

Kaiser: Governor, Reid Kaiser, Assistant Director for Operations. We checked on that and yeah, it's taken into account; animals, wildlife and so forth. It's non-toxic to those animals.

Sandoval: Thank you for the clarity. Let's move to No. 3 which is the traffic study for the proposed stadium. A couple of questions from me. First, it will cost \$250,000?

Rosenberg: For the record, Sondra Rosenberg, Assistant Director for Planning. What that includes and I apologize, we didn't clarify in the description here. There's two pieces we're amending the agreement for. One is the stadium analysis. The other and maybe more critical is, we've been talking with our partner states; California, Utah, Arizona and the need for analyzing alternate routes in the case of emergencies. We've had several instances in California where a fire has shut down I-15. Then the Moapa flooding. We know what routes we typically move traffic on to, however, those routes are not really built for that type of traffic.

We want to do a little bit more analysis to make some recommendations on what types of improvements should be made on those alternate routes. So that in the event of these natural disasters or major crashes, anything like that, we have a plan in place, not only for routing traffic but more importantly to maybe emphasize some investments on those corridors to be able to accommodate that. Unfortunately some of that is in other states, but we want to help those other states prioritize this for the importance of the I-15 corridor.

Sandoval: Do you know proportionally where that \$250,000 is? Is most of it for what you just described?

Rosenberg: Yes. Most of it is for that. The breakdown is actually \$150,000 for the alternatives analysis, \$100,000 for the stadium analysis.

Sandoval: Which brings me to my next question is, in my due diligence on the proposed stadium, I had the opportunity to meet with the Mayor of Las Vegas and her staff. Part of that presentation included a traffic study that the City had prepared which was conducted or done by the same contractor who would be doing this study.

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Does that pose any type of a conflict, number one. And, number two, are we being double billed for the same work?

Rosenberg: The answer is no to both of those questions. The reason is, it's a very different scope what CH did for the City versus what they're doing for us. The work they're doing for us is focused on the NDOT system, the freeways primarily. The work they did for the City was a little more complex in terms of the local street systems. Looking at how people are getting in and out from a more constrained perspective. In addition, we're not being double billed, as I said, they're different scope and I don't anticipate a conflict. The work they're doing for us, as Mr. Skancke mentioned earlier today is not making a recommendation. It's really just taking the analysis that's been done, looking at trip generations and seeing how that's going to impact our roadways and then starting that conversation in terms of how we adjust our planned projects in the future.

Sandoval: Again, I'm not suggesting anything otherwise, but I think it's important to make a record on this.

Rosenberg: Right, absolutely.

Sandoval; I just want to make sure that anything that is done for the State doesn't conflict with what was done for the City.

Rosenberg: Yeah, it is a different—it is difficult to see from the outside if you're not used to these traffic analyses. It is a different scope. In addition, we plan on meeting. I've started attending those Southern Nevada Tourism Infrastructure Committee meetings. We do anticipate having more robust conversations with the Governor's Office of Economic Development to make sure that any analysis that's been done on that side, we incorporate it into our analysis as well.

Sandoval: I would encourage you to do that because CH2M did not communicate with the Governor's Office of Economic Development when they prepared the initial analysis.

Rosenberg: Right.

Sandoval: I think it would be very helpful if it did.

Rosenberg: That's our next first step, if you will.

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Sandoval: All right. Then, finally do we have a timeframe on the completion of the analysis?

Rosenberg: Well, I think it sort of depends on when that Committee makes a recommendation and whether we do—

Sandoval: Well, the Committee is meeting this week and making a recommendation this week.

Rosenberg: I'll have to check with our consultants. My guess is, if this is approved today, they can turn it around very quickly. Probably in about a week or two.

Sandoval: I'll just say selfishly, the Committee is going to be making a recommendation to me. I'm going to need the best possible information I can have. In order to make decisions. I would really appreciate it. I know haste makes waste, but on the same token, I think they can do a really good job in terms of really bringing forward the costs and the changes. As Rudy talked about, I'm really interested, as part of that, if there was already programmed money for that proposed site, how that folds into the analysis as well.

Rosenberg: Right, absolutely.

Malfabon: Rudy Malfabon, for the record. The scope of work did say seven potential sites, but as I mentioned, we want to key in on what the Committee recommends to you and the developer has stated that they're looking at Bali Hai and the Russell Road sites. Although we had our consultant start looking at the seven sites, we really want to focus on the ones that are going to be the last men standing, so to speak—last man standing, on the Committee recommendation.

Sandoval: I don't have inside information, but I would imagine, at least I read in the press, those are the two sites. I'd rather not spend a lot of money looking at those other sites and not really getting any benefit from it. Those would be the two sites to focus on. Mr. Controller.

Knecht: Thank you Governor. I wanted to expand on a point you raised, a very good one, which is CH2M Hill's issue of conflict of interest. Ms. Rosenberg, I understood what you said about the scope for us, that's covered by the \$100,000 there. Being a nerd, I understand that kind of stuff. I've dealt with it before. What I wasn't as clear about is, what was their scope of work for the City of Las Vegas and I ask

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that because I want to be sure, like the Governor and every other member of this Board, that there's not a conflict if we approve this. It would seem to me that what their scope and their charge was for the City would be as important as what their scope and charge is with us.

Malfabon: Rudy Malfabon, for the record in response. What CH2M did for the City was to look specifically at the Cashman site. The Cashman Center as a possible site for a future stadium. Potentially that site could still be expanded for other purposes. I know the City is looking at redevelopment downtown. That work is useful to the City but it was all focused on one site that was in the mix. Should the Tourism Investment Committee make a recommendation that's focused more on the Russell Road sites, you wouldn't see a lot of NDOT work related to the Cashman site, so that would address that. As Sondra Rosenberg mentioned, it is a completely different scope. I'm pleased it's on the record to clarify there's not a conflict. It was different work for the City. Potential sites that they're looking at. The developer is stated are on Russell Road, so that addresses that.

Knecht: That's helpful. I thank you, Mr. Malfabon. Like the Governor, I'm concerned, not just about the substance of this but that we also make a record that's invincible and shows our due diligence. I'll ask one more question on this of Mr. Gallagher. Do you—are you able, Mr. Gallagher, as Counsel to this Board, to give us assurance that you see no material conflict here and we can rely on the conclusion that there is no conflict and vote on this in good conscious?

Gallagher: For the record, Dennis Gallagher, Counsel to the Board. Mr. Controller, I've not seen the work product that CH2M Hill has done for the City so I'm really not in a position that I can answer your question.

Knecht: Thank you. We'll have to proceed without that I guess. Thank you Governor.

Sandoval: You're welcome. Just to jump in here, I do have it right here. The City's report and there's a direct comparison between the Bali Hai site, the Russell Road site, the Fertitta site, the UNLV Thomas and Mack Center site, the Wynn Golf Course site, the MGM, Rock in Rio site and the Cashman field site. Some of those criteria were proximity and access to interstate, opening year street network performance, future street network performance, public transit and alternative modes, pedestrian connectivity, onsite and offsite parking, pre and post event tailgating experience, directional vehicle access, timing of offsite improvements

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and committed/program funding. The City scores each of those sites and finds that the Cashman site is the most superior. That is why I bring this up today. I need to have 100% certainty that the work that's performed is objective and really lays out what the potential costs and consequences would be to the State if that Russell Road or Bali Hai site is selected.

Those two sites were found to be inferior, at least on the City's study, as compared to the Cashman site. That really may not matter. But, in terms of what the costs would be, but it just—there's a bit of doubt for me here because there's already a conclusion that's been made by CH2M. They've started the work, that's the other side of this coin, they're familiar with all this. They're very familiar with the Valley and they perform this work for the City of Las Vegas and they've done some preliminary work for us. There's a decision point coming here and I have to be able to rely on the information that's brought before us.

Skancke: Governor, this is Tom Skancke, can I interject a couple of comments if possible?

Sandoval: Yes, please.

Skancke: Thank you. A couple of questions for Rudy and Sondra. If I recall, at the last Board Meeting, the conversation was really wrapped around the impacts to the Highway Trust Fund and did the scope that you create for CH request them to make a recommendation to the Board for a site or was it specifically around the potential sites at that time, I don't remember the exact number, was it seven? Was it a scope designed to make a recommendation to the Board, or was it designed to actually look at the seven locations to find out the impact to the State Highway Trust Fund? What was the scope exactly?

Rosenberg: Sondra Rosenberg, Assistant Director for Planning, for the record. The scope for the work they're doing for us was the impact to the State Highway System, thereby the Highway Trust Fund. It wasn't to make a recommendation for a site. Really, for the timeline we're talking about and the amount of money that we're talking about, it's really kind of a broad planning level estimate of, what's the impact of something like this to the freeway system and the Highway Trust Fund for the Las Vegas Valley? It's not a full traffic impact study that the developer will have to do in order to get all their approvals. It's really kind of an order of magnitude estimate of what it's going to cost the Highway Trust Fund to support the type of investment that will be needed.

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Skancke: Okay. Then my question would be—and I'm actually familiar with the City of Las Vegas report. My understanding on the City of Las Vegas scope, that was more for evaluating the Cashman Field location for mobility, connectivity, ingress and egress and connectivity to infrastructure in all modes. If I recall, there was a transit component to that, as well as freeway and highway access to the 15 and the 95, as well as local streets and roads. That was more of a scope that was focused on access to the Cashman Field and the ability for 65,000 attendees of an event at a stadium of that magnitude, how the City of Las Vegas would handle the Cashman Field location, the transportation connectivity. Am I correct in that?

Rosenberg: That is correct.

Skancke: Okay. So, in my mind, there's two separate scopes. While you've got one company that has a lot of knowledge on the system, on the I-15 system, the two scopes are significantly different, while it's the same company. The scopes were different and so I don't have a problem with the conflict or the perceived conflict. In fact, because the scopes are so different in my mind, I appreciate the clarification on that. I think it's important for them to move forward with a very quick analysis for the Governor and the Board since the Committee is going to be making a decision this Thursday. I would suggest that they get moving very quickly to come back with a detailed report so that our Governor and the Committee can have a really good understanding of what the impact to the Trust Fund are going to be with the most recent selection of the two sites. Thank you for that clarification. Governor, thank you for the opportunity.

Sandoval: Thank you. Other questions or comments on this Agenda Item?

Hutchison: Governor?

Sandoval: Mr. Lieutenant Governor.

Hutchison: Thank you very much. I wanted to just ask a few questions about this alternative route study of I-15. I think this is a—I know this isn't as timely or as pressing as what we've been talking about. In here it will say that this will be delivered in about six months of our notice to proceed. I think this is a very important analysis and a very important study for multiple reasons, some have been mentioned.

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You start with the premise that I-15 is the absolute lifeline for Las Vegas and Southern Nevada. If I-15 gets shut down, for whatever reason whether it be natural disasters or traffic related issues, it really does impact our economy. I'm interested in terms of what we're doing and what we're going to be doing as we oversee this work from the contractor, by CH2M on this alternative route study. We've had several instances where, as has been mentioned, Cajon Pass gets shut down by fires or we've got the Mesquite/Logandale flooding that occurred not long ago. You can have major problems in the Virgin River Gorge or fires in Southern Utah. All those things have a major impact on I-15 and the flow of traffic in and out of Las Vegas and Southern Nevada. Can you give me an idea, can somebody give me an idea, Sondra, somebody, about what we're doing in terms of specifics with the deliverable, that CH2M is coming back with this study and are there going to be specific—for example, identify the threats, proposed responses, including alternative routes, how we're communicating with the adjoining states over these threats, how we would communicate this to the public and the commercial properties in Vegas. Can you just give me an idea of what we're looking at in terms of the scope of their work and what we can expect as a Board when they come back to us in six months?

Rosenberg: Sure, this is Sondra again. What we're looking at is the resiliency of the system. Many of those things you mentioned are included here in terms of how often have incidents occurred in the past and how did we handle them? What were those routes? Then, taking a look at those routes and saying what improvements are necessary for those routes to truly serve as an alternate route for I-15 when there is an incident.

The biggest examples and the ones we're focusing on are US-95 South to I-40, which is the route that was used, I believe during both Cajon Pass Fires. I believe, the prior one before this year, since that area has caught fire and has shut down the freeway twice, I think in two or three years, that one is certainly critical. That's really the most logical rerouting. There are some other options there that we'll take a look at as well. Really making some recommendations, both on the Nevada and California side in terms of improvements that are really absolutely necessary to particularly US-95 corridor so it can continue to operate as kind of a back-up for I-15.

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The other one that we're focusing on because it was used during the Moapa flooding is US-93 North to 319, over to Utah. Those roads certainly were not built to handle the kind of traffic that it was forced to handle during that flooding event. In addition, during the work that's going on on the bridges through the Virgin River Gorge, Bridge Rehabilitation Projects, which will go on for quite some time, that is the routing for oversized loads. Just bringing some attention to the importance of those alternate routes, which are currently seen as kind of minor. Yeah, they're US routes and they provide us connection, but they're not heavily used or given the type of attention that we need to give to them because they do serve as an alternate route during these major events.

The end product will be kind of a risk assessment in terms of, what is the importance of these alternate routes? Are there others we need to look at? Then, make some recommendations in terms of improvements along those routes and then work with our partner states on the difficult part of how do we fund those improvements. That's the intent of that alternate routes effort.

In addition, we have a separate effort going on that is funded through a grant, Multi-State Corridor and Operations Management Program. That effort is really focused on the communications between the states, multi-state operations so that we continue—we have great communication with our neighboring states, but to continue to improve those during events like we've had and even coordinate some of the data, the background data in making sure we know who to call, all of those sorts of things. These two efforts really go hand-in-hand to make sure, as you mentioned, really that main artery, the life blood of Las Vegas and the State maintains resiliency.

Hutchison: Thank you. That's very helpful. Do we also, just out of curiosity, do we also have a plan or a method in place whereby we communicate to the Las Vegas business community, particularly the resort corridor when there is a major event and they can alert then their customers or their folks as they're heading out of town. Is there something in place, currently, where that's available other than just the normal notice procedures or notice avenues, just the ordinary steps we would have?

Rosenberg: We work through the FAST Center in Las Vegas which is a cooperative effort between NDOT, RTC, NHP, to get those notices out. I don't have the details on

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how that works. I know there is some notification protocol. That's something else we're working on with this multi-state effort to—how do we improve those communications? How do we get those communications out, not just in the case of an emergency but encouraging visitors to maybe stay a little bit longer on a Sunday night, to adjust their travel patterns to avoid sitting in traffic as long as they do.

Hutchison: Right. Right.

Rosenberg: Short answer is, yes there is something. I don't have the details. We're continuously working on how to improve that communication.

Hutchison: Great, well thank you again for the update. Again, Governor, just to underscore what I think a lot of us feel is that this is a very important study and something we ought to consider carefully when it comes before the Board. Thank you very much.

Sandoval: Mr. Controller.

Knecht: Thank you Governor. I'd like to respectfully request that in acting on this item, we separate out the third agreement, the CH2M Hill agreement and act on it separately and act on the others as a group.

Sandoval: Okay, may I ask why, Mr. Controller?

Knecht: Oh, happy to say. I don't mean to be cryptic here. I haven't had the advantage that you and Mr. Skancke have had of looking at the Las Vegas study. Quite frankly, if we do this, what I'd like to do is abstain from voting on the CH2M Hill contract and vote for the others. Doing that will make a better record and make that practical. Thank you.

Sandoval: Thank you Mr. Controller. Board Members, any other questions on Agenda Item No. 6? Member Savage.

Savage: Thank you Governor. A couple of questions and comments on other Agenda Items. No. 2, the crew augmentation for 906, saw that we had five bidders for the consultants and CM Works—has CM Works provided this type of augmentation for the Department in the past?

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- Kaiser: Reid Kaiser, Assistant Director for Operations. I'm going on my memory so I may not be sure on this but they have, I believe, many years ago. I don't think they have recently.
- Savage: That's fair. It's good to see new blood so we'll see how they do. The other question on Agenda Item No. 5, and a comment, I saw there was only one proposer on Agenda Item No. 5. The question begs, is the Department going out and reaching and networking to see why there was only one proposal submitted for this particular request?
- Terry: John Terry, Assistant Director for Engineering. Frankly, we have been using HDR somewhat proprietary or system for the CVEP analysis and for the updates to the major project plans. Even though we've reached out to consultants, I just believe that they felt that they couldn't compete because this was essentially an update to something that we'd been doing for years and that they had a competitive advantage. That's my opinion. I believe we've been using them for years and the others just didn't think it made sense to compete for this particular scope.
- Savage: Thank you Mr. Terry. That's understandable. I appreciate your honesty. I do want to note to you, I saw in the packet that their original estimate was \$757,000 and they did negotiate down to the \$680,000 amount. I commend the Department, yourself, as well as HDR to come together again. That's all I have Governor, thank you.
- Sandoval: Board Members, any other questions or comments with regard to Agenda Item No. 6? Hearing none, the Chair will accept a motion to approve Contracts 1, 2 and 4 and 5 as presented in Agenda Item No. 6.
- Knecht: So moved.
- Sandoval: The Controller has moved for approval, is there a second?
- Martin: Second.
- Sandoval: Second by Member Martin. Any questions or discussion on the motion? Hearing none, all in favor say aye. [ayes around] Oppose, no. That motion passes unanimously. Now, a motion for approval of Contract No. 3.

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Skanske: So moved.

Sandoval: Mr. Skanske has moved for approval. Is there a second?

Martin: Second.

Sandoval: Second by Member Martin. Any questions or discussion on the motion? Hearing none, all in favor say aye. [ayes around] Those opposed say no. Mr. Controller, I will mark you as having abstained from the vote on Contract No. 3.

Knecht: Thank you Governor.

Sandoval: All right, and Mr. Nellis, I apologize, you didn't have any further presentation, did you?

Nellis: No sir, that concluded Agenda Item No. 6.

Sandoval: Too late now, right? All right, let's move to Agenda Item No. 7.

Nellis: Thank you Governor, Members of the Board. For the record, Robert Nellis. Governor, there are three attachments under Agenda Item No. 7 for the Board's information.

Beginning with Attachment A, there are four contracts that can be found on Page 4-5 of 20. The first is a resurfacing project located on SR-226, Deep Creek Highway in Elko County. There were three bids and the Director awarded the contract to, I hope I get this right, Staker and Parson Companies in the amount of \$2,221,469.91.

The second project is also a resurfacing project located on Winnemucca Airport Road and Frontage Road in Humboldt County. The Director awarded the contract to Road and Highway Builders in the amount of \$1,494,494.

Item No. 3 is on SR-372 at Blagg Road and at Pahrump Valley Boulevard in Nye County to construct roundabouts. There were two bids and the Director awarded the contract to Las Vegas Paving in the amount of \$4,046,000.

The final resurfacing project is located on SR-399, Pitt Road, in Pershing County. There were three bids and the Director awarded the contract to Intermountain Slurry Seal in the amount of \$1,311,311.

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With that, does the Board have any questions regarding any of these contracts before we turn to Attachment B?

Sandoval: Hearing none, please proceed.

Nellis: Thank you Governor. There are 44 executed agreements under Attachment B that can be found on Pages 11-13 of 20. Items 1-4 are acquisitions and cooperative agreements. Items 5-17 are facility agreements and grants. Items 8-29 are interlocal agreements and a lease. Items 30 and 31 are a license and right-of-way access. Lastly, Items 32-34 are service provider agreements.

I'd like to note, for the record, Governor, that we are cancelling Item No. 25 and removing that from the information items.

Sandoval: You saved yourself some questions.

Nellis: I assume there are no more questions.

Sandoval: All right. Anything else Mr. Nellis?

Nellis: That's it for Agenda Item—well, actually for Attachment B, we do have Attachment C after this.

Sandoval: Okay. I have a couple of questions on B. Contract No. 18, with City of Mesquite, there is a \$16,000 adder for airborne asbestos monitoring or testing.

Kaiser: Governor, Reid Kaiser, Assistant Director for Operations. That was for the design-build project we had in Mesquite. The contractor was pulling out of a source that we had never tested for NOA so we wanted to make sure that he wasn't going to haul any NOA material to Mesquite, from this pit. The costs to get that material tested are covered under this agreement.

Malfabon: And, Governor, for the record, Rudy Malfabon. I just wanted to make the point that, based on the conversation we had previously about that, that John Terry has gotten with staff about avoiding unnecessary testing. We've heard from you and from the Board about that concern of over testing and the expense of that when we don't need to. I think that that speaks to that issue of the mapping. It makes sense to do that and know where you could encounter it on a future project. To avoid the miniscule testing of every little site.

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Sandoval: Thank you. That answers that question for me. Then my other question was on No. 32, with Applied Pavement Technology, for \$139,000. I just—when I read the description, to conduct research study for investigation of stakeholder perspectives of performance measurement, monitoring and reporting as an NDOT business practice. That is pure bureaucratic vernacular. Can somebody translate that for me?

Rosenberg: Sondra Rosenberg, Assistant Director for Planning. I'm on a roll today so I'll take that one. What that is, we have been doing performance measurement for decades, really. We have four different sets of performance measures, at least, that we report. There's new requirements in Map 21, in the FAST Act. We're constantly adding to that.

What this is doing is to help us take a step back, look at all of those measures, make sure they make sense in terms of helping inform our business practices. In addition, part of the scope is looking at the Governor's Strategic Plan to make sure we're aligning our measures with the goals of the Governor's Office. Also helping us transition from measurement to true performance management. Not just this annual report for the various different stakeholders we have, but actually having these measures report useful information that helps the Department improve our performance and getting buy-in from the Department and our stakeholders in terms of why measuring our performance is so important and what it's going to be used for.

That's my take from it. I also have the NDOT Champion, if you'd like additional description on it.

Sandoval: At the end of the day and I think you touched on it, just how does this help us? Is it going to help us save money? Is it going to make us more efficient?

Rosenberg: Yes, it is all of those things. We can measure everything we do. Unless we're taking a step back to say, how does this measure help us improve how we're performing, it's measurement for the sake of measurement. I'm not saying we do that now, but this is going to help us take a look, be more strategic about what we're measuring, seeing if we can collapse some of those measures. We have a Federal Highway Stewardship Agreement. We have the Map 21 Measures, we have legislative measures. Looking at, if they're slightly different, which one is more informative to help NDOT be more efficient. Collapsing some of those,

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being more transparent in how we report those, in terms of why those measures are important. I think it's really just helping us kind of consolidate that information so it's useful and helpful to make us more productive and more efficient.

Sandoval: I don't want it to sound like I'm lecturing but I don't want it to be like, waste some of the research. We spend \$139,000 and it goes—and it's a nice study. It goes in a binder and it goes on a shelf and we don't really act on it.

Rosenberg: Right.

Sandoval: I just want to make sure that we're getting, at a minimum, \$139,000 worth of value, that's not a small sum of money.

Rosenberg: And, part of it is looking at the NDOT culture, to shift again, from measuring performance to managing performance. We're hoping to see, at least initiate some of that culture change. We'd be happy to report back on this when the research is complete, in terms of how it's informing our business practices.

Sandoval: All right. Thank you. I apologize, as I was looking at that, I looked at the next one with the AGC on Teacher Workforce Development. Is there a little bit more specificity on that? Yes, please.

Larkin-Thomason: We have several initiatives that we're working with on Construction Workforce Development and matter of fact, I'll be informing the CWG Group on the next meeting after this on all those initiatives. This one is specifically about the AGC in the North has provided a Workforce Development Class for teachers and educators. It's called an Educational Externship, which they had completed with the Washoe County School District that brings in like guidance counselors, teachers and so on. Brings them in and provides an accredited, two-day, 15 hour course that basically focuses on construction workforce as a career option for students for those, both the degreed and the non-degreed programs.

I attended one of them and matter of fact, it received one of your Points of Light awards a few years ago. We're working with them to expand that to Southern Nevada. They are working now in Southern Nevada to develop a course there. And in addition, providing some outreach to the other school districts across the whole state.

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Sandoval: Do we pay for all of it or does AGC contribute?

Larkin-Thomason: It's a combination of both. We put in a fair amount for the actual resource part of it, the materials. They're putting in all the workforce and the development part of it.

Sandoval: That's all I have. Other questions? Mr. Controller.

Knecht: Thank you Governor. I was relieved when Item 32, was it, no excuse me, 25 was removed. I think we have to be nice to the University of Nevada, Reno today because they suffered a bit on Saturday in South Bend.

Sandoval: Hey, watch it, that's my old alma mater. [laughter] I think they did us proud though, they hung in there.

Knecht: I'm not sure that it would add any certainty to my understanding if I ask any more questions about Item 32. I will come back to Item No. 4. The Regional Transportation Commission, travel demand management plan. The really big 850,000 pound gorilla here. This one is providing funding to the RTC for the implementation of a comprehensive trip reduction and regional ride share program for Washoe County. What is the State getting for \$855,000?

Rosenberg: Again, Sondra Rosenberg, Assistant Director for Planning. First, I'd like to clarify. I'm not quite sure why we treat this differently than some other projects. Probably because it is a plan and it comes through planning. Both of the large MPOs, Washoe and Clark, have similar programs. In Clark, it's called the Employee Trip Reduction Program. What that is, the goal is, since they're both in areas of non-attainment and they're looking to reduce the demands on the transportation system and emissions, they have these programs to encourage carpooling, ride sharing, taking transit, those sorts of things.

I do want to clarify that the Department is actually not putting any money into this. This is a cooperative agreement for their federal funds that are matched locally. It's a program they do to help meet their requirements for emission reductions, reducing the demands on the transportation system. It's funded through congestion, mitigation, air quality federal funding, as well as the Surface Transportation Block Grant. Both of those are sub-allocated federal funds that go

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directly to RTC Washoe. It's really just flowing through us and that's what the agreement is for.

Knecht: That's very help and I thank you. Thank you Governor.

Sandoval: Mr. Martin, do you have any questions?

Martin: No sir, I don't.

Sandoval: All right. For the Members participating telephonically, any questions from you gentlemen?

Hutchison: Governor, you covered them, nothing further from me.

Skanche: None from me Governor, thank you.

Sandoval: Thank you. Then, let's proceed Mr. Nellis.

Nellis: Thank you Governor. There was one settlement under Attachment C that can be found on Page 15 of 20 for the Board's information. The settlement provides for an additional \$5,000,000 to bring the settlement total to \$8,416,330 to resolve the contested condemnation case of 10.88 acre portion of K&L Dirt Companies, 31.4 acre property, which is part of the Boulder City Bypass Project, not Project NEON. I just wanted to make that clarification for the record, Governor. With that, any questions may be directed to Mr. Gallagher.

Sandoval: Thank you Mr. Nellis. The Director referred to this in his Director's Report. Mr. Gallagher, is there anything else you'd like to add?

Gallagher: For the record, Dennis Gallagher. I'd like to simply compliment NDOT's staff and their working with this particular property owner to make changes and modifications to the plans and specifications so that this business could remain open in that location.

Sandoval: It's so often when we are over budget on a project, we hear a lot about it, but in this instance, we are under budget with this final resolution of this case. I think you covered it pretty well Rudy, but here's a longstanding business that was affected by this project. Instead of just sticking to the plan and saying, this is where the road is going to go, you had the flexibility to go back and redesign it so they can keep their business, still have a bit of their property affected, but at the

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same time be able to keep going. It saved a tremendous amount of money for the State. I believe it's going to be very helpful for that business as well, to move from one side of the Valley to the other, it could've really affected them. It really was a good outcome. Rudy, I'm not sure if there's anything else that you wanted to add.

Malfabon: No Governor, I think we covered all the main points of the settlement.

Sandoval: Any questions or comments from Board Members with regards to the settlement described in Agenda Item No. 7?

Hutchison: Governor, this is Mark Hutchison.

Sandoval: Yes, Mr. Lieutenant Governor.

Hutchison: Let me just say what has already been said and that is, the State was subject to significant exposure, significant risk here. I know this was a very heated and robust piece of litigation. I just don't think we can underscore enough or emphasize the point enough that this is a very, very good result for the State of Nevada. My compliments, Mr. Gallagher to you and your staff. I know you take a lot of heat for a lot of things. You've done a great job on this settlement. You do a great job on all the things you're responsible for but in particular, Mr. Gallagher, this was a great result and I want to compliment you. Thank you.

Gallagher: For the record, Dennis Gallagher. Lieutenant Governor, thank you very much for your kind remarks. I've got some great lawyers that I work with. This was vigorously contested litigation. I think at the end of the day, it truly was a win-win situation. Thank you.

Sandoval: We talked about this at the Board of Examiner's but how much do you estimate in attorney's fees that we saved by not having to go through a trial?

Gallagher: In this particular case—for the record, Dennis Gallagher—in attorney fees and expert witness fees, \$1M.

Sandoval: And that's on top of the millions that we're saving as a result of the settlement. As I said, too often we hear the other side, but in this case, it just was a great result for everybody except for the law firm.

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- Gallagher: And that's okay Governor, that's okay. Thank you.
- Sandoval: All right. Anything else Mr. Nellis?
- Nellis: No sir. That concludes Agenda Item No. 7.
- Sandoval: Before we leave Agenda Item No. 7, Mr. Controller, did you have a comment?
- Knecht: I have a request, can we return to Attachment B, Agreements under 300,000 for one more question?
- Sandoval: Of course.
- Knecht: Thank you. Mr. Nellis, I've heard rumors and I'm asking this in conjunction with the efforts by the Department of Administration, the Budget Department and the Controller's Office to get things rolling for the replacement of our ERP system. I've heard some claims that NDOT has contracts related to the Advantage System underway at this point. I haven't seen an Attachment B this month or in the previous months, I haven't seen anything on that. Do you have anything going related to that, in the contracting side of life or are those just misinformed claims?
- Nellis: Mr. Controller, for the record, Robert Nellis. We do have some contracts that we're working on that. We could brief you on separately, after the Board Meeting if you'd like, just so you're aware of what we have in the works.
- Knecht: That would be helpful. I just want to make sure that we run the ERP replacement as effectively and efficiently and as coordinated with NDOT and everybody else as possible.
- Nellis: Yes sir, thank you.
- Knecht: Thank you Mr. Nellis and thank you for that opportunity.
- Sandoval: Again, Mr. Nellis, that completes Agenda Item No. 7?
- Nellis: Yes, it does.
- Sandoval; Thank you. We'll move to Agenda Item No. 8 which is Condemnation Resolution No. 457.

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Malfabon: Thank you Governor. We have a couple of parcels involved here with TBS Highland Properties, LLC. This is for Project NEON. We have an acquisition of about 0.2 acres, plus a permanent easement, plus a temporary construction easement during the construction phase of the project. The amount that we've offered is \$329,000. We haven't received a counteroffer from the owner and we're looking to Board approval in order to maintain the schedule of acquisition and clearance for the Project NEON construction.

The next part of this Agenda Item is related to another parcel called Pueblo Highland, LLC. We've offered \$913,435 for about 1.6 acre of land. 300,000 square feet of permanent easements and a little over 16,000 square feet of temporary easements for the construction phase of the project. We even provided an option for a total take of the property but we have not received a counteroffer. Once again, we're just asking for Board approval. Negotiations continue in these cases with the property owners. If we can reach a settlement, then we don't have to go to court on these cases. It's just to maintain the schedule for Project NEON, we ask that the Board consider approval of these condemnations—Condemnation Resolution No. 457.

Sandoval: Thank you Director Malfabon. Do we know if these parties are represented by Counsel?

Borrelli: Ruth Borrelli, for the record, Chief Right-of-Way Agent. They are not represented. They are being very cooperative. We're just getting short on time.

Sandoval: No, I'm going to be supportive of this because we need to move on, but we've heard with some of the other parcels, some concerns or complaints by the landowners saying there wasn't enough communication. I just want to make sure that we're being very aggressive in terms of our communication, direct communication with those land owners.

Borrelli: Yes. Yes, yes, it's been—there's been a lot of cooperation, as I said. It's been very active. We are in the process of relocating tenants, so there's a lot of interaction there. They're on the premises, so yes.

Sandoval: Board Members, any questions with regard to Agenda Item No. 8? Mr. Controller.

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- Knecht: Thank you Governor and Ruth, or Rudy, can you give me a little bit of comfort on the figure of \$913K or \$955K for 1/6th of an acre. That sounds to me like, \$5.4 to \$5.7 million per acre. I understand that property is valuable in Las Vegas but that sounds high.
- Malfabon: Ruth, correct me if I'm wrong, Rudy Malfabon for the record, I think that that's for the entire parcel as an option.
- Borrelli: Correct.
- Malfabon: Not for the small piece of the property that we had looked at, at the construction easements and the permanent easements. That's the \$913K number. If we were going to take all the property, we gave them another option for the property owner to consider, we still have to pay for the easements on top of that but that was for the entire take of the property should they be willing to sell the entire property.
- Borrelli: That included the easements also, the permanent and temporary easements.
- Malfabon: There's not that much difference.
- Borrelli: It was high-level but that's also because it's including the improvements that are impacted. This is actually the fee take which is only 6,000 square feet but it's impacting their improvements and that's why it's so high. I'm sorry I misspoke before. Ruth Borrelli for the record.
- Knecht: Thank you, that's a little bit helpful.
- Sandoval: Any other questions or comments? If there are none, the Chair will accept a motion to approve Condemnation Resolution No. 457 as presented in Agenda Item No. 8.
- Savage: Move to approve.
- Sandoval: Member Savage has moved for approval. Is there a second?
- Martin: Second.
- Sandoval: Second by Member Martin. Any questions or discussion on the motion? Hearing none, all in favor say aye. [ayes around] Did we get everybody, I don't know if it was—Mr. Skancke, are you still on the phone?

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Skancke: Governor, I'm sorry. I hit mute, sorry. Yes, I'm an aye, thank you.

Sandoval: Okay. I just don't want to leave you out Tom.

Skancke: I appreciate it. You know what, I need a 7 year old to show me how to work my phone.

Sandoval: All right, those opposed say no. That motion passes unanimously. Let's move on to Agenda Item No. 9 which is consideration and possible approval of Fiscal Year 2017 NDOT Work Program.

Rosenberg: For the record, Sondra Rosenberg, Assistant Director for Planning. We have a Nevada Revised Statute that requires us to submit a four-year list of anticipated projects to the Legislative Council Bureau. We like it to be approved by this Board beforehand. This is our Work Program. There's slight differences between the work program and the STIP, although it's all available on the same web interface. As we went through it last year, during the STIP approval, there's two separate tabs. 90% plus of the projects are in both of those. It's a common database, there's just meeting different requirements. I'm getting ahead of myself here.

Just to back up for a second. Each year we go out to every single county, twice a year. In the fall we do workshops where it's more kind of staff-to-staff, talking about the issues in that County, talking about upcoming projects, talking about our process. It's a very coordinative—that's not a word—very—really robust process for coordinating with those counties in terms of our program in their county. We go out in the fall. Then we go back out in the summer to do our official county tour and that's where Rudy, Bill, myself, other Assistant Directors will go to each County Commission and give a formal presentation on the upcoming years' Work Program as well as the next couple of years coming up.

Then we come to you for approval. This year is a little bit different. We're not doing a whole new STIP this year, for a number of reasons. One, three out of the four MPOs only update their TIP every other year, so to be in line with them. Also, everybody is updating their Regional Transportation Plan, which will then inform the TIP. Also, most of the updates are captured in the Work Program as well. We're only asking for the Work Program approval this year.

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We do go through kind of an ongoing annual process. If counties would like some coordination with us in between those two official meetings, we're happy to accommodate. This process has really improved and evolved over the last couple of years. We used to kind of really just focus on the tours. We'd go in, dog and pony show. Here's what we're doing and then disappear. Now it's much, much more cooperative, much more transparent. The plus and minus side of that, the comments we're getting are a lot more substantive. There's a lot more questions on our process, our project selection, why it takes so long to take a project from idea to on the ground. We're working through all that and that's a big focus for this year in terms of better explaining our process and what it takes from a project idea to get it on the ground.

Just to kind of outline the differences between the STIP and the Work Program. Again, from a public perspective, they go to the same website, can search for projects. It's sort of doesn't matter which list it's on but they're meeting different requirements. The STIP is a federal requirements, fiscally constrained four-year list of projects. It incorporates all of the MPOs TIPs. We can't change any of their projects in their TIP, we incorporate them directly. Now with e-STIP, they're able to just insert all of those projects. We accept them. It's a very easy process now. It includes all federally funded projects and all regionally significant projects. The Work Program, as I mentioned is a state requirement. It's state funded, administered oversight. It contains all the projects that we have a role in. It's not required to include projects that are locally funded only, however, for the most part, if they're in their STIP, they tend to show up in our work program as well. Federally funded projects that are not state administered. There's very few of those but one example is the Bureau of Indian Affairs has their own transportation program. We incorporate the Tribal Transportation Program in the STIP. It doesn't show up in the work program. That's the only example I can think of off the top of my head. For the most part, it includes everything in the STIP and then some. All of our state administered programs that are maybe smaller that don't reach the threshold for the STIP.

They're both dynamic documents. The NDOT Work Program is submitted once a year as a snapshot but there's changes that are going on throughout the year. The STIP is also dynamic. It's approved by Federal Highway Administration, at least once every four years. That's a federal requirement. I don't think we've ever

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gone four years in between approving STIPs. One to two years is fairly typical. We do track any changes approved by NDOT and Federal Highways. As you know, we come to you quarterly with changes to the STIP.

I thought you might be interested in some of the big projects coming up in various counties. We have a much longer list. We highlighted when we went to each county some of the major projects; either ones they've been asking for for quite some time or some of the larger projects. We presented those to their County Commissions. Some of the ones you're familiar with, certainly in Clark County, Washoe County, Glendale—I think everyone is happy to finally see that one going forward. Drainage improvements. White Pine County, unfortunately Mr. Almberg isn't here today. I wanted to extenuate that we are doing quite a bit of work out there in the upcoming year.

One thing that was talked about earlier today that's not on this list is the Spaghetti Bowl NEPA document and that's because we're able to amend it into actually the 2016 Fiscal Year. That one is already accounted for in that. This is starting in 2017.

With that, I'd be happy to take any questions or ask for your approval of the 2017 NDOT Work Program.

Sandoval: Will you go back one slide, please, Ms. Rosenberg. So, with those amounts, what part of the budget is that, if I'm asking the question correctly? Does that encompass 100% of the funds that are going out? You said there was a long list of projects.

Rosenberg: Right. Right.

Sandoval: Those that aren't included really wouldn't change the overall proportion—

Rosenberg: Correct.

Sandoval: --amongst the counties?

Rosenberg: Correct. The Work Program includes really, all of our sort of NDOT budget is all incorporated in the Work Program. The things that are in the STIP that are not in our Work Program are locally funded, locally administered projects. It's just if

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they reach that level of significance, they have to be included in the federal program.

Sandoval: Well, the reason I bring it up is, we talked about this in other meetings but I just want to make sure for those who do keep score, proportionately, at least in my rudimentary math, 68% of the projects are in Clark County, 15% are in Washoe County and 16% are in all the other counties.

Rosenberg: And it varies—so, this isn't the full listing of projects but the proportions are similar.

Sandoval: But I'm saying, that would probably hold, would it not?

Rosenberg: Right. It varies from year to year because sometimes we have big projects outside of Clark County. On average, the majority of projects, the majority of the funding spent is in Clark County.

Sandoval: I think you likely will recall and the Director will recall when there's some major work that goes on some of the interstates that moves some of that money in other parts of the State. Again, I just want to make sure that everybody knows that it's very proportional to population as well.

Rosenberg: Right. Yes.

Sandoval: All right. Other questions or comments? Member Savage.

Savage: Thank you Governor. Compliments Sondra to you, Joseph Coy, everyone involved in the Work Program. A lot of time and effort. I went online yesterday to look at a few different budget items and I really compliment you and your staff. Fine, fine work. One question I did have is, I went to environmental and I looked at environmental. I found a landscape and aesthetics project for Veterans Parkway, underneath environmental. I thought that might be in the wrong category, so if you could look into that. I also saw two amounts. \$1.3M versus \$750K. This is a proposed project coming forward that I don't believe has been approved yet but it's something that I'd like yourself and staff to look into. I always felt that—I didn't see any connection to landscape and aesthetics being environmental. Maybe I'm wrong.

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Rosenberg: We will take a look at that. Sometimes the landscape treatments are done in conjunction with the storm water improvements. I don't know for sure on this one in particular, but we can look into it and get back to you on that.

Savage: I think that'd be good because moving forward, the landscape and aesthetics, to me is a different box than storm water and environmental. So I think we need to be aware of that moving forward as a Department to ensure that the dollars are in the right bucket. That's all I have Governor. Thank you Sondra.

Rosenberg: I wanted to mention one other name. Obviously you're familiar with Coy and Joseph and manage the e-STIP and the Work Program. Lee Bonner who is our County Consultation Coordinator is the one who schedules all the meetings with the counties throughout the State and organizes our travel flying into Pioche and Panaca and all of those areas. He does an outstanding job and has really moved this process forward as well. And as well as our staff in Southern Nevada too, that coordinates with us.

Savage: Thank you Sondra, for correcting me. That was my error in not complimenting Lee as well.

Rosenberg: It's all of them. It's a team effort.

Savage: It's a big team effort. Very well done. Thank you.

Sandoval: Mr. Controller.

Knecht: Thank you Governor. I just have one question that peaked my interest. Can we go back to the County Consultation Process, the colorful slide? That one.

Rosenberg: My typo with an F in the middle?

Knecht: Yeah.

Rosenberg: I don't know.

Knecht: What's that mean? Because that's not on the printed version.

Rosenberg: I was probably making notes this morning on my copy and it accidentally ended up there. I'm not sure. I didn't notice that until today. Thanks for pointing that out.

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Knecht: Thank you.

Sandoval: Other questions or comments on this Agenda Item?

Skанcke: Governor, this is Tom Skанcke.

Sandoval: Yes, please proceed Tom.

Skанcke: Thank you. First of all, well done Sondra to you and your team. All the engineers, brace yourself. This is why it's really important to have a professional planner in charge of this process, to look out into the future and really drill down into the planning efforts to assist the engineers in the design process. It really helps us at the Board level to have this type of analysis and this type of data. I want to congratulate you, Sondra and your team, for this information. I think you and your team are doing an outstanding job in the Planning Department and just wanted to commend you for all of your efforts and all of your hard work. Thank you Governor.

Rosenberg: Thank you.

Sandoval: Any other questions or comments? If there are none then, the Chair will accept a motion to approve the Fiscal Year 2017 NDOT Work Program as presented in Agenda Item No. 9.

Skанcke: So moved.

Martin: So moved.

Sandoval: Member Skанcke has moved for approval. Member Martin has seconded the motion. Any questions or discussion? Hearing none, all in favor say aye. [ayes around] Those opposed say no. That motion passes unanimously, well done. We'll move to Agenda Item No. 10 which is the consideration and possible approval of the Draft of the Nevada State Freight Plan.

Rosenberg: Thank you. Again, Sondra Rosenberg, Assistant Director for Planning. It seems to be my show today. We would like to start with a video that we've created to show the importance of this document to the State.

[video plays]

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You heard last month a presentation from Mr. Bill Thompson, NDOT Project Manager on the Freight Plan. It was out for public comment. We did receive some comments. We received a total of about 90 but I will admit about 40 of them were from me. Just making, I can't help myself with making little edits towards the end. There were quite a few from our District 3 Office. We corrected most of those. It had to do with some of the movement in the rural entities where the data we have might be a little outdated. Kevin Lee really helped us amend those changes. We received a few comments on better emphasizing railroads and movement by rail. That's a somewhat complicated issue. We didn't want at this time to put recommendations or actions in the plan that NDOT has limited ability to deliver, but we are anticipating continuing those conversations with the railroads and the rail industry to see where there might be some additional improvements or investments made.

I believe we addressed most if not all of the comments. Some of them were just comments that were noted. We have a final draft in front of you and we will—we're hoping that you're comfortable enough to approve that today.

Sandoval: Any further presentation Mr. Thompson?

Thompson: For the record, Bill Thompson.

Sandoval: Well done on the video too.

Thompson: Thank you Governor. For the record, Bill Thompson, the Project Manager of the Freight Plan. I'd first like to thank Sholeh Moll, our PIO with the Department. PIO and her production of the video. We worked together, shoulder to shoulder and yeah, pretty proud of that and can't wait for that to go public.

I just want to say that, we're here. We did it. You can still go to NevadaFreightPlan.com to see the detailed information on the appendixes. Our next steps are, one to get approval from the Governor's Board. The second step is that we will then take this plan to FHWA to get federal approval and start working on this plan. This is a plan that does not sit on a shelf. This is a plan that is a workable plan, daily. We'll be updating periodically and federally mandated that it's updated in five years.

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With that Governor, as Sondra mentioned, we do look for approval for Nevada's first Freight Plan.

Sandoval: Thank you Mr. Thompson. How many years in the making is this?

Thompson: It's going on 19, 20 months, to develop this. It is now—we started it before it became federally mandated. We request that you would do it. It is now mandated and we are way ahead of the game. Way ahead of the other states.

Sandoval: You anticipated my next question. We are leading—

Thompson: Yes.

Sandoval: --when it comes to having a freight plan like this. Every state is required to do this. We will be one of the first to have a completed one?

Thompson: That is correct. The others had freight plans but they were not even Map 21 qualified, but there are others who are just Map 21 approved. With the FAST Act that came out, being right in the middle of it, we were doing Map 21, we augmented the scope and we are now FAST Act compliant.

Sandoval: I'm full of superlatives today. This is great. This is a wonderful document. It's something that we can use to continue to sell Nevada. I'm just writing notes. We are becoming a national and international e-commerce center. Zulily, Jet, Thrive, Wal-Mart, Amazon, Petco, Patagonia, those are ones I just thought off the top of my head. Those are just in Northern Nevada. There are several in Southern Nevada as well. I've had the opportunity to chat with some of these executives and part of the reason is because Nevada is so organized when it comes to our freight plan. This is something that we can hand them and show them that we are ahead. This is very competitive with other states in terms of locating and they're thrilled because they can get their goods anywhere in the west within 24 hours. That's why we've had so much success in this regard. To have a comprehensive document like this is truly helpful. It's also visionary because it's not just now, it's looking ahead as well. My compliments.

I'm going to be in full support of its adoption and I've said this over and over again. We always get this nice booklet and there are probably thousands of pages and thousands of hours that have gone into this prior to today. We get the final product along with a really great video. That really sets it out as well. So, Sholet,

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my compliments as well and doing that. I was wondering who the narrator was and then I saw it was John Tyson. He's got a great voice to present it as well. You truly have dotted all the I's and crossed the T's and done the necessary work. I want to show my appreciation for your leadership and showing that Nevada leads. Thank you.

Thompson: Thank you Governor.

Sandoval: All right, other comments or questions? Member Savage.

Savage: Yes Governor, to follow on the same track. Extraordinary work from a consultant Michael Gallas, CH2, Cambridge, Sondra, Bill, the leadership from the Governor's Office. Again, a true testament, we're leading from the front. I would have a side bet with anybody that this is worth more than \$60M in five years. If we can't get more than \$60M within five years from the federal government based off of this freight plan I would challenge anybody and any other DOT on the fine work that everyone has done here at the Department, as well as our consultants and the Governor's Office. That's all I have, thank you Governor.

Sandoval: Mr. Controller.

Knecht: Thank you Governor. I too want to congratulate Sondra and Bill, Sholeh and the whole gang on a good job. I just have one question. Having gone through this, I didn't see anything that seems to lock us into a decision on the overall route from Tonopah north. Something we all know is an issue hanging out there and I just wanted you to confirm that that remains an open issue that we will need to deal with if we adopt Item 10 today as presented.

Rosenberg: That is correct. Again, Sondra Rosenberg, Assistant Director for Planning. Mr. Knecht, I assume you're referring to Interstate 11 alignment. That has not been determined yet. There's quite a bit more analysis and study that needs to be done before we determine the actual routing of that corridor. We'll continue the discussions of I-11 in the Statewide Long-Range Plan or what we're now calling the One Nevada Plan, excited about that. A more detailed specific corridor analysis will need to be done on Interstate 11.

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Knecht: And you won't make Board Members take site tours of the various corridors, will you, on the ground?

Rosenberg: Not unless you'd like to. I'd be happy to take you out there if you'd like but it will not be a required activity.

Knecht: Thank you. Thank you Governor.

Sandoval: Questions or comments from other Board Members?

Skanche: Governor, this is Tom Skanche.

Sandoval: Yes, Tom.

Skanche: Thank you. First of all again, congratulations to Bill and Sondra and the entire planning team and the consulting team. I just wanted to echo what you said Governor about this being a great plan for the State and for our future. This is an interactive living framework of how we continue to be more globally competitive. To your point of using this as a marketing and promotional and sales tool for our state, this truly will set the bar for other states to compete. Not only with the document that we've created as a Department but the Intermountain West Freight Coalition that Bill has started with several of the intermountain and desert southwest states, has actually started a dialogue of how these states actually work together now on goods movement and how we deal with logistics coming out of our four western ports.

We are—Len, you're right, we are leading from the front. I think Federal Highways will use this document as a framework for other states to raise their own bars. I'm looking forward to really updating this and seeing where we are in five years. Whether we are all on this Board in five years or not, I think it's something that we can look back on and be very, very proud of.

This is an outstanding document. It's the beginning of our future. I can't wait to see some of the recommendations in this report be implemented to continue to make and build this New Nevada Governor that you started six years ago. Thank you very much.

Sandoval: Thank you. Any other questions or comments? One more from me. As I look through this, proudly and selfishly, as you look at some of these emerging

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technologies that have been referenced in here. You talk about the Nevada Electric Highway which is something that we're progressing in developing and will be, hopefully the first state in the country to have a comprehensive electric highway system in the nation. I think that's something to be proud of. The autonomous vehicles and the Freightliner. Nevada was the first state in the Nevada to adopt regulations for the testing of autonomous vehicles. I had the privilege of riding in that Freightliner on that test on I-15. It works. It was great. Literally, somebody pulled out in front of us and that wasn't part of the plan and the vehicle reacted. Again, the first time that a Freightliner was tested, a big truck like that was in Nevada.

Then you look at Page 3-37, the aviation drone. That's something that was a first in our state. Nevada is one of only six states that allows for testing. That little drone that's moving that package is now at the Smithsonian Institution in Washington DC. That test was conducted in Hawthorne and was the first of its kind. I don't think it was an overstatement for it to be called a Kitty Hawk moment. That was an exciting development. Then, not long thereafter, there was a test in Reno where a drone delivered a Slurpee and candy and something else in an urban area. We laugh now but it may be normal, something typical where you pull out and order something and you have something delivered to you. That's something that's happened here.

Then you look at this other mode of transportation, the Hyperloop. That's in North Las Vegas. That testing and investment is being done there. So often we get these really nice presentations and we see pictures of things that are occurring somewhere else. The most of what is happening in terms of emerging technology is happening right here in our state. We are on the ground floor of innovation. It's a really exciting development, to merge what has been happening with regard to economic development into this freight plan and into this transportation plan. It really shows that Nevada is at the forefront. Not just with regard to the Freight Plan, but with all these other emerging technologies. It is really a compliment to all of you at NDOT to make sure that we're including all that. It's just fun because you just have to travel within our state to talk to the people that are doing this. We have firsthand information. I want to again congratulate you all on just a great document.

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As Tom had talked about, this really is what people and what the federal government is going to point to when—I'm not going to pick on any other states. I'll just say when other states are trying to put something together because the federal government will be saying, just do what Nevada did. Look at what they did. That's nice to have our state in that sentence. Really appreciate your hard work on getting this done.

Thompson: Thank you. For the record, Bill Thompson. I have been approached by other states asking for our scope of work which we haven't done that yet, but they're aware of it. They know the beauty of the economics of this, what it does for your economy, for your state. I believe that's some of the reasons they want part of this.

Sandoval: Well, make them earn it. All right, any other questions or comments with regard to Agenda Item No. 10? Sondra, Bill, any further presentation?

Rosenberg: Governor, I just want to thank you for your leadership. It's because of the concept of the New Nevada and not being afraid to move on some of these new technologies that we can highlight in our Freight Plan and know that we're working towards this. We are working towards the New Nevada and it's exciting to work on these things as a planner, as someone who is looking out to the future. Even though technologies like Hyperloop, we're not sure what's going to happen with them but we're not afraid to talk about them and see what the impact is.

Mr. Savage, you mentioned the work of the consulting firm as well. Of course, none of this would've been done without the leadership of Bill Thompson, but Michael Gallas, CH2M, Morris Associations and Cambridge Systematics really brought that technical expertise to the table as well. And, our Freight Advisory Committee, which included the Governor's Office of Economic Development, many of the freight partners to help guide this document. That's something that even if another state copies this process and document, it's not going to compete because I don't know of another state that has the type of partnerships that we do, with economic development, with the trucking association, with those other partners that make this successful. Thank you very much for that opportunity.

Sandoval: All right, well said. If there are no further questions or comments, the Chair will accept a motion to approve the Nevada State Freight Plan as presented in Agenda Item No. 10.

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Knecht: So moved.

Sandoval: The Controller has moved for approval. Is there a second?

Martin: Second.

Sandoval: Second by Member Martin. Any questions or discussion on the motion? Hearing none, all in favor say aye. [ayes around] All right, the motion passes unanimously. My understanding, as the Director said, we've continued Agenda Item No. 11 for next month. Will you ask them as part of their presentation—because I've gotten some inquiries with regard to proposed public transportation to the Tahoe/Reno Industrial Center. Some of the larger employers are asking about that.

Malfabon: Yes Governor, we'll have them address that in their presentation.

Sandoval: All right, thank you. We'll move to Agenda Item No. 12, Old Business. Mr. Director.

Malfabon: Thank you Governor. Under Old Business we have Items A and B, report of Outside Counsel Costs on Open Matters and the Monthly Litigation Report. Our Chief Counsel, Dennis Gallagher is able to respond to any questions from Board Members.

Gallagher: For the record, Dennis Gallagher. Last month the Lieutenant Governor asked in regards to Attachment A, the sufficiency of remaining funds with the reported outside counsel contracts. We've reviewed them. There is one matter that we may be coming before the Board seeking an amendment to increase the funds in the next couple of months. I would also like to point out, there's two other matters on that list that currently we have sufficient funds. Both of those are matters before the Nevada Supreme Court. Both involve petitions for writs of mandamus. If the writs are granted, it will put an end to both of those cases. If the writs are not granted, it will probably mean a one to two week trial in each of those matters. Until the Court rules, I'm comfortable with the amounts that are remaining.

Hutchison: Governor, this is Mark Hutchison.

Sandoval: Yes, please proceed.

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Hutchison: Thank you. Mr. Gallagher, can you just identify—the three that I was looking at that gave me a little pause were the I-15 and Cactus litigation there. We started off with a \$250K budget, we've done about \$11K. We've got the Nassiri litigation. We were at \$1.1M, a little over \$1.1M with our total cost authority, we've done about \$49K. Then the other one I was looking at was the paralegal services for Project NEON. We're down to about \$10K. Are you comfortable with those three that we've got enough remaining resources or is one or more of those a concern to you?

Gallagher: For the record, Dennis Gallagher. The I-15 and Cactus was the matter that I was referring to that we may be bringing and amendment in the next couple of months to the Board. The case has been dormant, or very little activity for quite some time. It was commenced back in 2013. The Nassiri case is one of the two matters that's currently pending before the Supreme Court. Until the court rules, I'm comfortable with the remaining balance. The paralegal services should be winding down now that we've been able to staff positions that were authorized during the last legislative session. I'm feeling pretty good, right now.

Hutchison: Okay, that's great. Let me just note as well, it looks like we've got about \$214K remaining on the K&L Dirt. Of course, that was settled, so that's going to be a cost savings as we already discussed. Can I turn your attention, Mr. Gallagher, to Exhibit—or excuse me, Attachment B which is the Monthly Litigation Report.

Just a couple of things I'll start off with. The Walker Furniture matter, the [inaudible] matter, it looks like we've got almost \$500K in costs and that seems pretty high. Can you remind me the reason for those costs and why they're so high? I assume that's going to be a lot of expert witnesses or consultants.

Gallagher: For the record, Dennis Gallagher. You're correct Lieutenant Governor. In that case, I should update the Board, we're trying to finalize the settlement documents right now so that it can be on the November Board of Examiners meeting agenda. A great deal of those costs were involved in the retention of various experts. This was a case where the property owners, where its typical that they may have three or four experts, this property owner if I recall correctly had identified eight or nine. It was almost twice the normal amount. We also engaged some outside engineering services that ultimately helped, I believe, to reach a settlement with the property owner.

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Hutchison: Okay, that's what I thought, we probably had those kinds of costs in that amount. Last question, on Attachment B, I see we've got a new matter. 1916 Highland Properties, LTD. Have we got outside counsel assigned yet or will that be handled in-house?

Gallagher: That will be handled in-house.

Hutchison: Wonderful. All right, well as always, great work on all of this Mr. Gallagher. Thank you Governor.

Gallagher: Thank you Lieutenant Governor.

Sandoval: Board Members, any further questions with regard to Agenda Item No. 12? Hearing none, we'll move on to Public Comment. Is there any member of the public here in Carson City? Mr. Lake.

Lake: There's always something I forget when I come up here. Specifically, I wanted to, I guess, say that, as I've mentioned, I sit on a number of boards and property owners have essentially sent me here to keep you apprised of what's going on and to report back to them. It seems I've become responsible for whatever happens here.

Back in June, there was a contract awarded to, it was either SNC or Q&D, I really don't know which for pedestrian improvements on Virginia Street, at specifically, [inaudible]. It's been a little over three months and we have yet to see any activity there. I'm just bringing that forward. I don't expect a response right now.

Also, on the document I handed out with the traffic study, I put a link on the front of it that goes to a 158-page document that is the entire traffic study. That starts on, the first page of that is Page 32 in that larger document.

The last thing is, I wanted to expand a little bit on the pavement condition of 395 southbound. As Mrs. Rodriguez mentioned, I ride a motorcycle and I find that its very difficult for me to ride in the right hand lane because of the large cracks and there are some pretty good sized pot holes in there now. I generally stay in the left lane when I'm riding. Also, I have to comment that when the traffic slows or comes to a stop, I have to be very vigilant that the guy behind me is going to stop also. Thank you for the additional time.

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Sandoval: Thank you very much.

Malfabon: Governor, just to respond to some of those points that were made about the maintenance needed on those roadways. We did inquire during the meeting and District 2 Maintenance responded that they have the crack filler on order for that section where there's maybe gaps that have be filled in. They want to finish that work this fall. Once they receive that Craft Co material, it's a crack sealer product that is used to be injected in those cracks and joints. Then they're going to do a permanent patching this fall as well, as part of that effort.

They did a flush seal which is basically spray an emulation to seal the roadway on the asphalt, northbound lane, north of the concrete section to Cold Springs. They're going to do the next, the other side of the US-395 next Sunday night. They're aware of the concerns from the public as well and they've got some of the improvements in their plan. Major fixes are still to be scheduled and we'll bring some more information to the Board about that in the future.

Sandoval: Any other public comment from Carson City? Any public comment from Las Vegas?

Martin: No sir.

Sandoval: And Rudy, just a couple of adders for aesthetics. I know it's been a really busy August and it's a busy September in Washoe County but driving along there, there's a lot of trash along the corridor. It may be partially because of what you pointed out with regard to folks camping under the freeway there but if we could take a look at that. Then, on that last bridge coming into Carson City, I can't remember the exit but it's half painted, it's been half and half for a while. Is that paint going to be completed?

Malfabon: Yes, they've got half of it done and they're going to complete the other half before they complete that project. I noticed that too the other day.

Sandoval: All right. Thank you. That finishes public comment. Is there a motion to adjourn?

Martin: So moved.

Sandoval: All right. Member Martin has moved to adjourn, is there a second?

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Savage: Second.

Sandoval: Second by Member Savage, all in favor say aye. [ayes around] That motion passes, this meeting is adjourned. Thank you ladies and gentlemen.



Secretary to Board



Preparer of Minute