

Transcript of Nevada Department of Transportation  
Board of Director's Meeting  
September 14, 2015

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

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Sandoval: I will call the Department of Transportation, Board of Directors Meeting to order. We will begin with Agenda Item No. 1, Director's Report. Director Malfabon.

Malfabon: Thank you Governor, Board Members, good morning. We're pleased to announce the newest member of our Executive Team at NDOT, Dave Gaskin, is the new Deputy Director for Storm Water and Environmental. He's really hitting the ground running. Formally Bureau Chief at Division of Environmental Protection for the State of Nevada, in charge of water quality programs. We're pleased to have him on board. He's aware of the huge task ahead of him in implementing a better Storm Water Program at the Department and he's got familiarity with the US EPA Staff in the San Francisco Office, the Regional Office. So, able to hit the ground running and welcome Dave. Could you please stand Dave?

And, in future months, Dave will give a more comprehensive update on the Storm Water Program, but I do have a few highlights for the Director's Report. So, Dave has conducted interviews for his new Division Chief for Storm Water and there's other new positions for the Storm Water Program have been filled and many are advertised. Some are in the District Maintenance crews, have been advertised. So, we're pleased with the amount of progress we're making on filling those positions. I know it's a lot of work for our Human Resources staff at NDOT and I wish to thank them for that effort.

We're meeting with the US EPA, here in Carson City on September 25<sup>th</sup> with the Governor's staff. Appreciate the amount of support that we received from your staff, Governor, it's been huge. And, we're continuing with our storm water projects to improve water quality. So, wrapping up the US-50 Clear Creek

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Project and starting out on the maintenance yard improvements in Reno and Carson City.

A little update on federal funding. We had previously reported that we had a short-term extension through October 29<sup>th</sup> and the House version is going to be released, possibly this week for the long-term transportation bill; but the USDOT reports positively that the Highway Trust Fund, with the additional revenue from the General Fund, it's solvent through mid-2016. Unfortunately, that means that it's likely that we'll see a short-term extension again before the long-term bill gets reconciled between the House and the Senate. I think there's a comment from Member Skancke.

Sandoval: Yes, Member Skancke.

Skancke: Thank you Governor. On the federal part, Rudy, it's come to my attention through a lot of research on the DRIVE Act that the population numbers that we're using in Map 21 and in the DRIVE Act are actually 2000 population census numbers. Now, that's great if you're east of the Mississippi, but it's not so great for those of us west of the Mississippi and that—what Congress is basically telling us that, and kind of patting us on the head in saying, well at least you're not being penalized. If you look at the population growth over the last 15 years in our state particularly, we are being penalized. The formula and the funding and everything is based upon 2000 Census. I know in my community in Las Vegas the population has grown probably 30% in the last 15 years.

So, there's a coalition of folks that are being put together right now to discuss these western issues. I wanted to raise that today because I wanted to, Governor, put it on your plate. I think it's a Western Governor's issue. It's great if you're Chicago or New York or Boston when you get 2000 population numbers, but since 2000, they've had a substantial decrease in population and western states have a substantial increase in population and there is an inequity. I would just like to say that I think western states should rally together and have a conversation with their members of Congress to level out that formula and level out those numbers. Congress should be debating this on a 2014 population number not 2000 and then Nevada would get more than an extra \$5M out of the DRIVE Act. I think Nevada should be getting an extra \$50M to \$100M out of the DRIVE Act and we would be—I'm probably a little high on that, but we would be—we'll I'm not actually high, the number is actually high. Let me clarify that for the record. Yeah, I don't represent that industry either by the way. That number might be

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high, but I think we should do the math and find out how much we're not getting. Then Governor, it might be a good idea to bring this up to the Western Governors Association because all of these states west of the Mississippi are being penalized.

I think it's also important to note that right now, we're all Donee States, because right now we're subsidizing the Federal Trust Fund with General Fund dollars. So, I think there needs to be a really substantive conversation around how this formula—while people say we're doing better because we got an extra \$5M in the DRIVE Act, which is better than nothing, but I'd rather see an extra \$50M. So, thank you Governor.

Sandoval: Thank you. And, great point, a good catch. So, I'll follow up on that and the Western Governors are actually meeting in Las Vegas, in December, so perhaps that will be an appropriate topic for discussion. Rudy, please proceed.

Malfabon: So, on this table we show that NDOT has been very effective at getting August redistribution funds. The latest amount for this federal fiscal year, \$10.3M plus—and that's really a testament to the efforts of our Financial Management Division and April Pogue in particular has been very thorough in the work that she does to make sure that NDOT positions itself in a good position when the feds redistribute the obligation limit.

So, August redistribution ensures that all obligation limit for a federal fiscal year will be utilized prior to its expiration on September 30<sup>th</sup>. If a State does not plan to obligate the amount distributed during that fiscal year, it's redistributed by formula to those states able to obligate the funds. Obviously, by those numbers, you see that we received quite a bit of money in August redistribution.

Last Day Funds is the other opportunity, last and final opportunity to distribute funds, but as you can see that there's, for several years now, there hasn't been any Last Day Funds available. States are getting better at spending what they have available federally. I just wanted to make that point that we're doing well in that area, at least of additional federal obligation limit.

A little update on Project NEON. I wanted to thank the City of Las Vegas and all the technical reviewers at NDOT that are assisting on the review of hundreds of pages of documents, technical documents, just to remind you that the technical score comprises 40% of the score. The price is 60% of that combined score. The price proposals are sealed until the technical scores are in, so we have a fair

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process and one can't influence the other. It's a lot of commitment of time by those reviewers and I wanted to thank them for their efforts.

The next slide shows you the anticipated schedule. We'll announce as an informational item at the October Board Meeting about who the apparent best value proposer is, based on that score. Then, November will be when the Board considers ratification and approval of the contract. So, we're setting up Board Member presentations on the specifics of the design built proposal that is going to be presented to you as the best value before the November Board Meeting.

I'm pleased to also report that the USA Parkway Project is on schedule. That's also a design-build project. We held confidential one-on-one meetings with those four short listed teams, so they could develop their alternative technical concepts. This is where design-build really makes sense. A lot of the innovation that the design-build teams can bring to the table. Proposals are due October 16<sup>th</sup> and then, we're still on schedule for the award of that project, construction and completion of construction by December of 2017.

The I-580 Rehab Project on the concrete paving replacement and cracked sealing has been moving along. It's getting to the point where all the concrete that was going to be replaced has been replaced, so the crack sealant and grinding for smoothness is still to be completed. Weather permitting, it's possible that this project could even wrap up before the end of the year, but it is weather dependent work. Worst case scenario, it's going to finish in early of Spring 2016. Wanted to thank our contractor, Q&D for their innovative traffic control ideas; made it a lot more constructible project and people were able to find alternative routes and relieve some of the stress of traffic in that construction zone. But, it went well. Every time that I drove through it, I was pretty impressed with how traffic was flowing through that construction zone.

I wanted to thank our Road and Highway Builders is our contractor on the Carson Freeway. They developed a concept to move, using a conveyor belt system, 750,000 cubic yards will be moved through that conveyor belt system which eliminates hauling of 200 trucks a day for 150 days. That's quite an impact of traffic that was avoided by RHB's innovation. Well done on that project, as they're moving along with the Carson Freeway work underway.

Las Vegas Paving is wrapping up the US-95 widening project from Ann Road to Durango in Las Vegas. And, they're starting up on the next phase of the US-95

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widening, called Project 3A at the interchange of the beltway and US-95—you may recall, we had a ground breaking event recently and so the actual work will commence mid-October at that location. Meanwhile, Fisher Sand and Gravel continues on the I-11 Phase 1 of Boulder City Bypass.

One thing to note to the Board is that we're going to be opening bids on October 1<sup>st</sup> for a large widening project on the highway between Pahrump and Las Vegas, State Route 160. This is Phase 1. Later in your Board Packet, you'll see a contract for the design of Phase 2, for your consideration.

Some things to report on some minor projects. The Pedestrian Safety Project that PD Kaiser had presented to the Board previously in Incline Village has started. I mentioned the maintenance yard improvements coming up in Carson City, the maintenance yard in the back here.

And, also thanks to the developer, 50 Fortune LLC in Lyon County for the—we issued a permit to Lyon County for the traffic signal at US-50 at Fortune Drive. The developer really gets some credit for buying the poles and the devices that were installed at that location. It's working well. Lyon County, also, we appreciate their maintenance agreement because they agreed to maintain the signal for us since we don't have staff for maintenance of signals in Maintenance.

Sandoval: Rudy, is that that site when the Commissioner was here?

Malfabon: Yes. That's where the Lyon County Commissioner was present.

Last month we had some discussion about the North Valleys and some of the traffic impacts from all of the development in that area north of Reno. Deputy Director Bill Hoffman met with representatives from the Governor's Office, City Councilman Paul Mackenzie, the RTC of Washoe County and had a good discussion about some improvements that can take place. We're continuing the discussion of what short-term improvements could be done to improve safety and traffic flow. So, there's going to be several follow-up meetings, but we'll identify which projects that NDOT can be a part of, maybe RTC or the City can participate in, to fund some of these improvements that will help mobility and safety in that area.

I wanted to mention an upcoming public meeting. We've been studying the improvements that are going to be made at I-15 and the Tropicana interchange, looking both at Tropicana Avenue and the interstate. There is a choke point, with

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the old bridge at I-15 interchange on Tropicana that we have to look at modifying. It would be a significant construction project but we're doing this feasibility study and the public meeting for that are to unveil some of the concepts that they've identified to eventually set us up for widening through that section of I-15, that choke point, where the bridge columns from the old bridge are preventing us from widening the lanes on I-15. So, we'll be discussing those improvements at that public meeting in Las Vegas, September 29<sup>th</sup>.

Recent Board of Examiners Approval of Settlements. We had a large one, MLK/Alta, related to Project NEON. This is one where the Attorney General staff, that serves NDOT, did a great job during the trial. So, we actually took this one to trial and used in-house staff to present the case for NDOT. In the midst of the trial, the jury was released to deliberate. We were able to reach a settlement. We felt that it was an equitable settlement for the State, it mitigated some of our risks legally. We polled the jury afterwards and found that it was right on the money, as far as, what they were thinking too, so really reinforced the fact that it was good to take this one to court, but also to settle for a reasonable amount, which was less than our legal exposure. There was another minor temporary easement issue that was resolved through the Board of Examiners approval of this additional \$1,600 to settle an issue with a property owner on Southeast McCarran widening. That's a project that the RTC of Washoe County is doing with joint funding from NDOT.

Also, coming up, a preview of the October Board of Examiners, this one is unique. It's actually a settlement that we're going to receive payment from Ad America. You recall that our Chief Deputy Attorney General Dennis Gallagher reported that we won the Supreme Court decision on the Ad America case. We actually asked for reimbursement of some legal expenses, whatever the legal term, I don't know if it's suing, but we are getting some money back from the Ad America plaintiffs for this \$13,500. It doesn't reimburse us for everything, but I think that it sends a message that we are serious. We'll take things to the Supreme Court on appeal if we have to and we are getting some reimbursement.

Gallagher: For the record, Dennis Gallagher, Counsel to the Board. This was a companion case to the Ad America case that had been previously reported. This case involved an award by the Trial Court of certain cost and fees to the State. Basically alleging that Ad America had no standing to bring this particular lawsuit. Based upon the Trial Court's ruling, awarding the State certain costs and

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fees, Ad America appealed it, while on appeal came back with an offer that basically said, we'll dismiss the appeal if you'll accept part of this award. We did and the settlement will go to the Board of Examiners for its consideration next month.

Malfabon: And then last is the Meadow Valley claim, as we received our independent assessment of the drill shaft issues. Reid Kaiser has been preparing a briefing for Board Members as we develop our position on this case.

Willing to answer any questions of the Board Members.

Sandoval: Thank you Mr. Director. You were speaking of Tropicana reminded me of the escalators.

Malfabon: Yes.

Sandoval: Where are we on the escalators?

Malfabon: So, John Terry has an item that he'll briefing the Board later on today. It is something that is on the agenda, later. So, if we could defer that. It's during the—yes, it's—

Sandoval: Why don't we wait. If it's on the agenda, we'll do that.

Malfabon: Yeah, we could wait until—

Sandoval: Just an issue for thought, given the tragedy that we spoke of this morning, Rudy and I. I had an opportunity to chat with one of Mr. Raiche's coworkers. And, had a brief conversation with Department of Public Safety. We need to do some more research, but I've become aware that in some other states, as part of the construction bids, they include money for their respective Highway Patrols, to provide safety and protection and patrol at construction sites. That might be something that we should consider in our future bids. Obviously there's a cost associated with that, but if we include that in the bids, then we could provide a little bit more safety. One of the NDOT employees was telling me that just last night on that I-580 Project, he was out there and somebody blew by him at 80 miles an hour. This isn't to suggest that the Highway Patrol isn't out there, it is. And, they said that they are ticketing people, but perhaps if we made that part of the contracts, to help—or, not help, but to pay for that type of vigilance, that we might consider that. I'm not saying that we're going to do it, but I think that it's something that we should explore for sure.

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Malfabon: We do that Governor, but I think that what we can do is be more consistent in the application of having NHP out there. A lot of times we use it for major traffic switches, but it is a tool that's available to us and we'll look into using it more consistently on our construction projects.

Sandoval: All right. Questions or comments from other Board Members? Member Skancke.

Skancke: Thank you Governor. I'd like to go back to Interstate 11 for a second, if I could. While I think we're making great progress with the portion in Las Vegas, I'd like to ask the question and propose a concept if I could on staying with the theme of the Governor's building a new Nevada. I-11 is going to become the economic lifeline, the new economic lifeline for our State. And, I'd like to try to figure out a way that we can get this done quicker and sooner. I know we have a process and I know that there is a NEPA process and I'm sure that there is some type of 30-year planning process that has to be done. I see Sondra here and she loves to plan, but I'd like to challenge the Department and maybe all of us here to figure out a way how we can get this done, and set a deadline of having a shovel turned someplace else in the state by 2018.

I'd like to have us set a goal if we can because if it just lingers out there that we're going to do it at some point, in some time, I've said this before and I'll say it again, we have a Governor who is not afraid to lead and we have a Governor who is willing to take some heat on some difficult issues. I'm not suggesting that this is difficult, but while the climate is where it is today and while you have a Board that works well together and a team that works well together, I'd like to challenge us all to get this moving. Don't tie it to a bunch of other projects or wait for a 30-year master plan study to get done. We know what needs to get done. I'd like to say that, if we're going to build the new Nevada that our Governor is trying to build, then let's build it.

If we can skip one of the tiers of the NEPA Process, and I'm not trying to circumvent NEPA, but I know in Map 21 and in SAFETEA-LU, there were environmental streamlining proposals and processes that we may be able to be qualified for. So, I'd like us to get out our innovation hat and be creative and really try to do what we've done on the Boulder City Bypass. Look at some innovative financing opportunities.

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I'm doing some interesting work now in foreign direct investment, in that there are people interested around the world in what's happening here and in funding infrastructure. I'm happy to disclose what those relationships are so there aren't any conflicts, but I can make those introductions.

I think that while we have a group of people that are willing to get something done, then let's build this new Nevada. Let's make I-11 a part of that. Let's figure out how I-11 connects to USA Parkway. Let's figure out how we can bridge this State together and continue to build one State. While we can do that, again, I'd like to try and set a deadline. Give you all an incentive to look at 2018 as a timeline to have a groundbreaking beyond Las Vegas. And, how we connect I-11 to the global economy and the rest of the world to make Nevada that globally competitive State that we heard in the Governor's first State of the State Address about Interstate 11 and the future and what it brings to our State.

So, that's a comment, call it a directive, call it a request, call it a plea, but I'd really like to challenge the Department to figure out a way to get this done sooner rather than later. Thank you Governor.

Sandoval: Thank you Rudy, and thank you Member Skancke. I can't say it any better. The status quo is not good enough. It's an exciting time in our State. We will soon be the most connected digital state in the country and there's no reason why we can't do it transportation wise as well. I know there's a price tag associated with that, but we should move at all due haste. And, it's an opportunity. There are more opportunities coming to our State and I think it will be multiplied by the fact that we have this proposed I-11 and get that built. I think that's an achievable goal and something we should aspire to.

Malfabon: Thank you Governor. I know that Sondra will give an update in future months on where we're at with the I-11 effort.

Skancke: Can we make it next month?

Malfabon: I'm trying to give her some leeway. We'll do it as soon as possible Member Skancke. As soon as she's ready.

Sandoval: Any other questions or comments from Board Members on the Director's Report? Do you have any other further comments, Rudy?

Malfabon: No Governor, that's it.

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Sandoval: All right. Thank you. We'll move to the next Agenda Item, Public Comment. Is there any member of the public, yes ma'am, who would like to provide comment?

Rodriguez: Good morning. Lori Rodriguez. I was here last month representing the Golden Valley Property Owner's Association. I see smiles already. I just wanted to give you an update on what has happened in the month since then. Michael Dermody, of Dermody Properties, initiated a meeting that Rudy talked about. We're calling it the North Valleys Traffic Task Force. He was right, we—Rudy touched on it. We had the Governor's Office. Well, he didn't touch on it. We also had a couple of construction companies there, we had some developers there and I was there, which is obviously not a government thing. I apologize to you all, I thought I would be a little less nervous today, but I'm not. So, anyway.

You were just talking about getting things moving. At that meeting, we discussed the Lemmon Valley Interchange and the Golden Valley Interchange and how we could get things going. Mr. Roberts, of Panattoni Development has offered private funds. He's offered \$7 [inaudible] to get the Lemmon Valley Interchange started, so we can start taking care of all that traffic that's coming from Amazon and such. Dermody Properties has committed to install a traffic signal at the intersection of Lemmon Drive and Military Road, including a second northbound to westbound left turn lane, at his expense.

So, we've got things started, I just don't know what they have to do now to get permission—I mean, we have the funding to do these now, in a month. So, we just need to figure out how to get, you know, what we have to do to get it started. Which would be Mr. Hoffman, I would hope. And, I wanted to point out that Mr. Hoffman has also volunteered to create a subcommittee of technical experts to look at the immediate traffic concerns and to advise on the future project.

The Task Force was formed not only to look at just our 395 South widening project, they want to look at all of the North Valleys. What they did, this is RTC's Regional Road Improvements for the year 2035 and on it—this was kind of a problem. It's communication between all the entities. For example, we have the Pyramid 395 Connection that I told you about last month. What I did find out, that's a six-lane freeway dropping into a four-lane freeway. There is a little bit of area that they're saying they're going to improve, but it stops short of fixing the whole problem. What happens is, the six-lane highway comes into the four-lane, which they're going to probably widen a little bit, but then it drops down to two-lanes again, before it hits that North McCarran overpass.

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So, what I was thinking and you suggested this last month, if we could combine those projects. The 395 Connector already has it's EPA almost done and most of the studies done but the engineering is not done yet and the construction hasn't started yet. If we could combine those two projects, hold off on the construction a little bit, unless you want to start on the east side and get our EPA study done. I asked if we could do an abbreviated EPA since we already have a freeway there. I mean, all we're doing is trying to help the traffic flow that exists now. We're not bringing in a new connector anywhere from the north. Start bringing in, do the abbreviated EPA and try and get this study done together.

The 395 Connector is estimated \$870M and the North McCarran was projected at about \$100M. I'm wondering if we can combine those costs so that we don't have to go back and redo a section say for where it came in that there's a mistake up here, engineer the whole thing at one time.

The one thing I did find out at the meeting was, I was wrong about my estimate of 3,000 new homes. There are 10,000 new homes already approved to be built in the North Valleys. And, 50-60 industrial warehouses are already approved to go in.

The long-term plans—one of the things they wanted to do with the Task Force was create a website where everything is put so everyone can see what everyone else is doing. So that say, the City of Reno can go in and look and see what zoning changes the County has done. These all affect our traffic flow up there.

I just wanted to let you know that there has been progress. We have gotten some private funding to start this. Bill Hoffman was at the meeting and he's on board with us getting this done. That was all I wanted to tell you. It's going. And you were right, try and get this done. It can be done, it just has—we have to have people willing to get out there and do it. So, anyway, that was all I wanted to say, thank you.

Sandoval: Thank you Ms. Rodriguez. Thank you for being here today. Is there anyone else present who would like to provide public comment? Yes sir.

Lake: Good morning Governor, Members of the Board. My name is Ray Lake. Like Ms. Rodriguez, I'm a resident of Golden Valley. I also sit on the Board of the Golden Valley Property Owner's Association. We represent about 600 households in the Golden Valley area. In addition to that, I'm a member of the

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North Valley Citizen's Advisory Board. So, in both organizations we have a stake in what Ms. Rodriguez has presented. So, I'd like to echo her comments.

I'd like to also add that, I don't think she is aware of it, but at the Stead Airport, the City of Reno was looking to develop something on the order of 3,500 acres in industrial and manufacturing. I also understand that Amazon is looking at using that airport to bring shipments into their warehouse on North Virginia Street. So, we do, indeed, in addition to the residential development that's proposed out there we have a lot of industrial development that's going on.

Last month, I think after the meeting, someone asked Ms. Rodriguez if we could do a video of the traffic and the road conditions on North Virginia Street. So, I have done that and I gave Mr. Hoffman a copy. I also have three additional copies of the video that I did over three separate days. I started on a Sunday when there was almost no traffic and I drove from the Golden Valley onramp down to the I-80 off-ramp. It was about five miles and it took me, as you would expect about five minutes. On Monday, I just picked a time and I drove. It was the morning rush hour and it took me about 15 minutes to make the same trip. I tried again on Tuesday and it took a little bit longer. It kind of depends on which day you hit that and what your luck is as you take that route. This morning the traffic seemed to be backed up further, but I made it through faster. I don't quite understand that, but I didn't really track anything beyond I-80 because of the construction there which we all appreciate the improvements, but it makes anything that I would do kind of mute.

That's really all I have to say. I have three more copies of the video if anybody would like them. Oh, and if anybody has trouble with the videos, my email address is [RLake001@gmail.com](mailto:RLake001@gmail.com) and I can provide a link to the videos. I haven't posted them publicly, but if somebody wants to see them, I can send a link. Thank you.

Sandoval: Thank you Mr. Lake. Any other public comment from Carson City? Is there any public comment from Las Vegas?

Martini: No Governor, no one is here.

Sandoval: Thank you. We'll move to Agenda Item No. 3 and 4, which are the Board of Directors Meeting Minutes for July 6, 2015 and August 10, 2015. Have the Members had the opportunity to review the minutes and are there any changes?

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I'll say, it's a dramatic improvement Rudy, so I appreciate and want to thank whoever is responsible for going through these and making sure they were all accurate.

Malfabon: Holli Stocks.

Sandoval: Who?

Malfabon: Holli and her staff, Holli and Claudia and our Director's Office staff went through them and with a fine tooth comb and made some corrections.

Sandoval: The only thing better than sitting through one of these meetings is hearing it all over again, right. Great work, thank you. All right. If there are no questions or comments, the Chair will accept a motion to approve the July 6, 2015 Meeting Minutes and the August 10, 2015 Meeting Minutes.

Knecht: So moved.

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

Savage: Second.

Sandoval: Second by Member Savage. Any questions or discussion? All in favor say aye. [ayes around] Oppose, no. That motion passes. I just want to make sure, is Mr. Martin not present today?

Speaker: He's not present.

Sandoval: Okay. We'll move to Agenda Item No. 5. Rudy, I don't know if you have any preliminary—

Malfabon: Governor, you requested this item to be on there, so I'm going to defer to you. We do have a preliminary—we are able to make some corrections. This is just a mock-up of what the sign could look like.

Sandoval: Thank you Rudy. Everyone in this room is aware of the tragedy that occurred here in Carson City not long ago and the tragic loss of Sherriff's Deputy Carl Howell. I think everybody felt that, personally. We hve the Mayor here from Carson City and I remarked this to the Mayor privately but it was a real privilege and honor to be there and listen to your remarks in honor of Deputy Howell.

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I don't know if I've ever seen such an outpouring of respect and appreciation, at least during my experience here as Governor. Driving that route between Carson City and Reno and seeing people pulled over and with their hands on their hearts or saluting. Seeing law enforcement from Northern California pulled over saluting and people just wanting in their small way, showing their respect and honor for Deputy Howell. I must give credit where credit was due, but the Sunday after the memorial service there was an editorial in the Nevada Appeal. In that last paragraph, there was a suggestion that to name the Carson City Bypass in honor of Deputy Howell. I couldn't personally think of a better thing to do. So, I wanted to publicly thank the Nevada Appeal for putting that forward and I wanted to make sure that we did this in all due haste, because frankly, there's no reason to wait. People should know as they travel that highway and have an opportunity to see that name and show appreciation for the Sheriff's Deputy's service to this community and to the State of Nevada.

Mr. Mayor, I know you're here. I'm not sure if you wanted to speak, but I would appreciate it if you would.

Crowell: First ladies and gentlemen, Governor, on behalf of Carson City we'd like to thank you Governor and the Nevada Appeal. Governor, you and your Board, and NDOT, for undertaking this project. It is the right thing to do at the right time. Carson City fully supports that. We appreciate your leadership on this issue. I can't think of anything better to do for the memory of Carl Howell as we go forward in this world.

Let me also say, while I'm here, that Carson City deeply appreciates, and I mean that, deeply appreciates the fine working relationship we have not only with this Board, but Director Malfabon and NDOT. There's a lot going on in our community and I think he speaks well of not only what this Board does and your leadership but NDOT. Things are happening and I think Member Skancke said, this is the time to make things work. Governor, we're here to help you make things work on behalf of Carson City. Thank you.

Sandoval: Thank you Mr. Mayor. Comments from Board Members? Mr. Controller.

Knecht: Thank you Governor. I want to express my deep appreciation to my friend Mayor Crowell, Supervisor Shirk who is also here, our City Manager, Mr. Marano and the community leadership for the role they've taken in recognizing Officer Howell and for recognizing the job that our deputies and our law enforcement

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personnel do every day. Just as we also appreciate the work and the risks that the NDOT staff take every day. I guess I would be remiss if I didn't add two other parties to this, Rudy, thank you all for being responsive, so fast and even the Nevada Appeal, thank you.

Sandoval: Other comments from Board Members? Rudy, one thing, is there supposed to be an apostrophe?

Malfabon: There's a standard alphabet for size, but we'll work on. I know your wish is to have it grammatically correct with an apostrophe, so.

Sandoval: Well, is that an engineer's thing Rudy?

Malfabon: Yes, you're not the only one that's had a problem with that. I know other states face that challenge of getting things right on a sign and it's an engineering thing.

Sandoval: Can we add the apostrophe, Rudy?

Malfabon: Paul, did you hear that? We'll get the FHWA to work with us on that for the standard signing.

Sandoval: Okay. I'll ask the Board Members, do you have any suggestions with regard to the appearance of the sign and then Rudy, assuming approval today, when can we get that up?

Malfabon: We'll have to check with the sign shop, but they can typically get these produced within 30 days. Then we'll coordinate with your office Governor, I'm sure that you would want to have appropriate recognition.

Sandoval: I would like to have an opportunity to include the family, if they choose to be present. Again, for those of us that were at the service, it was incredibly moving to see his father and his brother there. As I said, I don't know if they want to be a part of this, but we should at least give them the opportunity to do so.

Malfabon: We'll get the legend finalized and get the production and the fabrication right away and then we'll coordinate with your office Governor.

Sandoval: And then finally, is it standard, do you put one sign on each end?

Malfabon: One sign in each direction.

Sandoval: Okay. On both ends of the freeway?

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Malfabon: Yes. We're going to avoid the areas where there is sound walls so that we can have it on a ground mounted sign. It's a large sign about 9 feet by 5.5 feet, so it's very large.

Rodriguez: [Inaudible]

Sandoval: Ma'am, I can't take your comments here. Okay. Thank you Rudy.

Malfabon: Thank you.

Sandoval: Thank you Mr. Mayor for being here and the staff as well.

Knecht: I move for approval.

Sandoval: Okay. The Controller has moved for approval of the request to honor Carson City Sherriff's Deputy Carl Howell, to dedicate the Carson City Freeway in his name and in his honor. Is there a second?

Hutchison: Second.

Sandoval: Second by the Lieutenant Governor. Questions or discussion on the motion. All in favor say aye. [ayes around] Oppose, no. That motion passes. Again, I want to thank staff for responding to this. Let's move to Agenda Item No. 6, which is Approval of Contracts over \$5,000,000.

Nellis: Good morning Governor, Members of the Board. Robert Nellis, Assistant Director for Administration. There are three contracts under Agenda Item No. 6, Attachment A, found on Page 3 of 25 for the Board's consideration.

The first project is located on Interstate 580 on the southbound off-ramp, at the North Carson Street interchange in Carson City and Washoe Counties for roadway rehabilitation, widening for auxiliary lane and seismic retrofit. There are three bids and the Director recommends award to Q&D Construction in the amount of \$14,823,785.92.

The second project is located on Interstate 80 at the Truckee River, near Verdi for concrete substructure repair on Bridge 764 and railroad grade separation structures. There are two bids and the Director recommends award to Granite Construction Company in the amount of \$2,554,554. That's estimated to be completed in the Spring of 2016.

Malfabon: Correction Robert.

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Nellis: I'm sorry.

Malfabon: The other bid is an independent cost estimate, it's not an actual bid. They don't actually—they do a double check on the contractor's bid price.

Nellis: Thank you for the correction. Finally, the third project is located on State Route 593, Tropicana Avenue and State Route 604 Las Vegas Boulevard to remove and replace escalators and to design and construct structural and aesthetic improvements for four bridges and eight escalators. There was one bid and the Director recommends award to The Whiting Turner Contracting Company in the amount of \$35,256,209.

Just a note for the Board, Contracts No. 2 and 3 are following our standard CMAR process and as the Director mentioned earlier, the Project Managers and Assistant Director Terry have prepared presentations on both of these if the Board would like to hear it, on either item.

Sandoval: Does that complete your presentation?

Nellis: Yes sir.

Sandoval: All right, I have a question on No. 3. The escalators; when do we expect them to get done and I've had some conversations with the County Commissioners there and do we have an agreement to turn them over and get this done once and for all? Mr. Terry.

Terry: John Terry, Assistant Director for Engineering. I'll take those two questions. We have an agreement in concept to take over the escalators with the anticipation we'll have an executed agreement when the work is actually completed and to turn them over, but in concept, yes we have an agreement with them. They're going to take it over and much of the cost and other things associated with these are related to both getting the resort, as well as, the County to buy into many of what are really upgrades to the escalators, beyond what we had anticipated. So, the answer to that question, yes we have an agreement in concept, we don't have an executed agreement at this time.

To answer the second question, there's two parts to that. We have done this CMAR agreement in a method where we had told you previously that we were going to have a GMP-1 to order the escalators and to do, what I will call the western most bridge, which would've been the bridge from the Excalibur to the

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New York-New York, which is the one we feel will have the most pedestrian traffic related to the arena.

We chose not to do just a GMP-1 and to do a GMP for the whole job, even though the design of the remainders of the job are not at 100% yet. We did this working with State Public Works, who frankly has a lot more experience in CMAR contracts for vertical construction than we do and they were very helpful with us in this process. Essentially with the approval of this item today, we will order the escalators and we will have final design and start construction on that western most bridge that I discussed, with the other bridges to follow in, I believe, a counterclockwise manner around the bridge.

That being said, we do not think that we will be done at the opening of the arena but soon thereafter with the western most bridge. With that, I can answer any other questions.

Sandoval: I'm not going to hold you to it, but what does soon thereafter mean?

Terry: We had thought if we had brought this item to you two months ago, we would've beat them and then open and since it's now there, we think we'll be about a month or two behind the opening of the arena for the opening of the western most bridge. I will point out that we will not close the bridges—

Sandoval: That was going to be my next question is how do people cross the street while this is happening?

Terry: That's a two-part answer. If an escalator is out, which they will have to be in order to build them in the same place that the current one exists, the stairs will always be available, as well as, the elevators will be available. And then, only for short periods will we have to do work on the actual bridge that's crossing. The worst case is, they'll have to make the three corner route to go around, during the construction of that bridge, which is the shorter term. So, there will always be alternatives for pedestrian traffic to get through, not always the most convenient, but it won't completely shut any one route. So, the worst case is, the three leg route to go around and to use the stairs.

Sandoval: So, do you build it right next to the existing bridge and then take out the old bridge?

Terry: No, the old bridge will stay, we're only rehabbing the old bridge.

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Sandoval: Oh, I see.

Terry: Some of the biggest improvements to the existing bridge are things like, new glass panels versus the existing old railings that had a lot of maintenance issues. Aesthetic upgrades to the bridges. Some relatively minor structural issues with the bridges that have to be done. So, no, there will be no new bridges.

Sandoval: Okay. It's just the—

Terry: It's the escalators up is where a lot of the cost. And, one of the big upgrades to the escalators is, we had to go to these industrial code escalators to do that. I will point out, there is still a controversy related to the cover over the escalators. Of whether they have to be covered and we're working with Business and Industry looking for an exemption to the covers. If we have to add the covers, we could, but we would rather not as would the resorts would rather not.

Sandoval: Cover them like a bubble?

Terry: Like a roof, pieces of roof.

Sandoval: All right. I don't want to be redundant but anyone who drives by that arena sees that it's going to be open soon. I don't want to jinx anyone but they got that hockey team down there and there are a lot of events that are going to be occurring.

Terry: And it seems like the majority of their parking is both onsite there, as well as, their sister resorts at the Luxor and the Mandalay Bay and thus, the pedestrian traffic coming in that direction even more. These are very heavily used bridges without the arena.

Sandoval: You've said it, but you're anticipating where most of the parking is going to occur and get that one done first.

Terry: Yes.

Sandoval: Okay. Any other questions or comments? Mr. Lieutenant Governor.

Hutchison: Thank you Governor. Mr. Terry, thank you for your presentation and my questions are going to go to this idea of an agreement with Clark County. Sitting here today, how confident are you in percentage terms that that agreement will be done?

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**Malfabon:** Mr. Lieutenant Governor, I can respond, if I may. I did have a discussion with the County's Lawyer, Chris Figgins last week and he feels that Dennis Cederberg, the Public Works Director stands by his commitment to take over the maintenance after we do these improvements. So, I'd say we're in the 90-100% range, if I had a give a number to it. I'm not a book maker, but play one on TV.

**Sandoval:** Well, and if I may, we've been talking about this since I was the Attorney General sitting on this Board. I want to make sure that we have a written agreement with the County before this thing gets turned on. There's no reason for there not to be, none. I will communicate with the Chairman of the Board, with the other Members that are involved, but we've done what we said we were going to do. We said that we were going to purchase brand new escalators and repair and rehab the bridges and turnover a perfect product. After that, there really is no reason. The reason before was the County didn't want something that was used or needed maintenance, all of that. So, I guess if I'm a betting man, I'd bet on us that it's going to get done, in terms of having a written agreement before it's turned over.

**Malfabon:** Governor, I don't know if Mary Martini has anything to add. She's the District Engineer, very familiar with the project and the maintenance of those bridges. Mary?

**Martini:** Actually, I'll defer to Lynette Russell. She's responsible for the project, going through the development process and she's got more of the details.

**Russell:** Good morning Governor and Board Members. Lynette Russell, Assistant Chief of Project Management for Southern Nevada. I really don't have anything to add to what John has already said. I think he's covered it very thoroughly, but if there's any additional questions, I'd be happy to answer those.

**Hutchison:** The purpose of my question is obvious and the Governor underscored it here. I can't tell you how many times I have litigated cases where the parties had an agreement in concept. It means zero. So, that's why I want to know, I mean, really, are we serious about having an agreement with the County because the County could always say, we just changed our mind. At this point, there's really no legal recourse, it sounds like. There's no written agreement, we've gone forward in good faith, as the Governor said. I just would be comforted to know if somebody was to say basically, this is going to be done and we're going to have a contract.

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Terry: Again, we have an agreement. The issue is—

Hutchison: Let me just interrupt. Is that memorialized somewhere? Can you take that to court in case someone says, there's a dispute about the terms or the maintenance obligations or what's going to happen? Is that something that we really have or we just had a lot of meetings and talked about this?

Terry: To me, really the issue is, them willing to sign an agreement saying we're going to build it to these specs, versus they have inspectors, etc., that are there while we're building it and when it's done and signed off, they say they'll agree to—they'll say they accept it. So in other words, them accepting an agreement just based upon plans and specs versus them taking the agreement based upon a completed structure built to those plans and specs. That's the issue is, getting them to say—we've got the agreement done, they've reviewed it for the legal language. It's the issue of signing the agreement based upon a design. A design of which, some parts of it are 100% and some parts of it are 60-70%, or signing an agreement based upon actual construction which they are able to view and inspect and agree to the construction at that time.

They have no expectation that we and our contractor won't build it to those plans and specs. It's accepting it once it is done to that plan and specs.

Hutchison: So, what I'm hearing you say Mr. Terry is, if we build consistent with plans and specs that they've already approved, it's done.

Terry: That's the 90-100% that the Director gave you, that's my understanding. Yes sir.

Hutchison: Okay, thank you.

Sandoval: Member Savage.

Savage: Thank you Governor and I'm going to jump on the same bandwagon here as the Governor and Lieutenant Governor. As a Board Member, we have shown good faith from NDOT and I don't see for any reason why Clark County cannot formalize a written agreement, in good faith, contingent upon completing the project under the plans and specifications approved to date. I think it would show good faith on their part and the 90-100%, I'm not a litigator, but that's 10% and that's too high for me. I just think that Clark County can really step up and show good faith on their part. The Department has made good progress. It's been a long time. That's my first comment.

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My second comment is, who is the designer Mr. Terry, on the project?

Terry: Jacobs Engineering.

Savage: Jacobs Engineering. And, what was the original budget, I read the packet and I know it's close to the ICE estimate, but what was the budget back in 2011, if anybody has that information?

Terry: I believe the budget—understand, there was the \$19.6M that came from the Convention Visitors Authority. That was never the budget, that's what they had left. We felt the budget was probably in the range of \$25M and it's now \$35M with a pretty big contingency built into it. But, yes and we could reel off the scope changes that have added to the increase in budget. The higher grade escalators were millions more dollars than we anticipated, but after going through it all with a contractor and various others it was an agreement that those, and I forget the term, industrial level escalators for outdoors were more money. Then, some of the aesthetic and machine room and other improvements and Lynette could probably add in more.

Most of the add-in costs is added scope. There is some that's over—that you can't really account for, but I believe that \$10M is mostly added scope items that we can say, this is why.

Savage: Okay. That's all I have. Thank you, Mr. Terry. Thank you, Governor.

Sandoval: I'll go Member Skancke in a second. I don't want my comments to be misinterpreted that I don't support what we're doing because they have to be built well. We're going to have millions of people crossing this. They're going to be coming to Las Vegas from all over the world. I want it to be top notch. Through the years we've spent a lot of money on maintenance on these old ones. We don't need them breaking down in 110 degree weather and what have you. In terms of making it aesthetically pleasing and industrial so they'll stand the test of time, I'm good with all that. Mr. Skancke.

Skancke: Thank you Governor. I use those frequently or I used to and they were frequently down. I would just—look, we've got to make this right. My question is, by the Board taking action today to approve a \$35.2M bid, is that enough for the County Public Works Department to say, oh they're actually going to do it and can we actually maybe get some type of written dialogue that says, the Board approved. We're 98% of the way there and maybe get—I think it would give all of us a level

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of comfort if there was some type of documentation between us all saying, we did this now you do that and get a timeline so that everybody has predictability on the end game. Right now, it's kind of hanging. If this has been going on since 2000, I've got to go to my feet, that's 15 years, even with new math. I think if we can give everybody a closure on this, that would be helpful. So, if this sends a message to them, let's send the message and then let's get one back as to what their timeline is.

Malfabon: Member Skancke, I know that if our Chief Deputy Attorney General Dennis Gallagher gets going on the agreement, he's been very successful with previous maintenance agreements with Clark County recently. So, he's very good at what he does and I think that he can get this accomplished in a timely manner.

Gallagher: For the record, Dennis Gallagher, no pressure. To the Board, seriously, our Office has not been directly involved in the negotiations but we will put this at the top of the list and get a working draft going back and forth between the State and the County.

Sandoval: That's probably what it will take is just making a formal presentation. Here it is, memorializing what has happened up until this date, assuming this approval of a \$35M contract. That shows some pretty good faith on our part. So, I would appreciate your following through Mr. Gallagher. Mr. Lieutenant Governor.

Hutchison: Thank you very much. And, if we could just be notified, Dennis, if there is anything that is unusual going on. I mean I think the Board expects that we are basically there with the contract and we've got an estimate of 90-100% there, even though 10% is not acceptable at times, those are pretty good odds in the legal world. So, it'd be great to have time and notification, if you get involved Dennis and it just looks like there's something that's going to go south, it'd be helpful to know that. Thank you.

Sandoval: Any other questions or comments? All right. If there are no further questions or comments, Mr. Nellis, any other presentation?

Nellis: No Governor, that concludes the Contracts for Approval under Agenda Item No. 6.

Sandoval: Member Savage.

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- Savage: One comment Mr. Nellis, I don't know if it's a typo in the Board Packet, Item No. 1, is it 3597 or 3598, contract—
- Nellis: Yes, thank you Member Savage, I forgot to address that. For the record, it's Contract No. 3598, not 3597, for the record.
- Savage: Thank you Governor.
- Sandoval: Thank you. If there is no further discussion, the Chair will accept a motion to approve Contracts 3598, 3614 and 810-15, as described in Agenda Item No. 6.
- Skanche: So moved.
- Sandoval: Member Skanche has moved for approval. Is there a second?
- Savage: Second.
- Sandoval: Second by Member Savage. Questions or discussion on the motion. All in favor say aye. [ayes around] Oppose, no. That motion passes unanimously. Thank you. We'll move to Agenda Item No. 7. Mr. Nellis.
- Nellis: Thank you Governor. There are two agreements under Attachment A, that can be found on Page 3 of 12, for the Board's consideration. The first line item is Amendment No. 2 with CA Group, Inc. This is a second phase option in the contract and the amendment is to increase authority by \$2,999,900 for environmental hydraulics, right-of-way utilities and geotechnical services.
- The second line item is also Amendment No. 2 with Converse Consultants. This is to increase authority by \$200,000 and extend the termination date by one year to provide building, hazardous material, asbestos survey on an increased number of properties requiring demolition for Project NEON. Governor, that concludes Agenda Item No. 7. Are there any questions I may answer or direct to the appropriate person?
- Sandoval: Thank you Mr. Nellis. Questions from Board Members? Member Savage.
- Savage: Thank you Governor, Mr. Nellis, question on Item No. 1. I guess I'm questioning when it's only September 2015 and we have previously approved in June of 2014 through 2016 for the \$1M Amendment, why now for another \$3M before the term of 2016?

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Nellis: Thank you. We have Assistant Director John Terry prepared to address that question.

Terry: Again, John Terry, Assistant Director for Engineering. The original contract was for the NEPA with power option to follow-thru with final construction. We chose to do—or, final design. We chose to do final design for Phase 1. That's what Director Malfabon mentioned, is going to advertise October 1<sup>st</sup>. They completed the final design on Phase 1. We had the agreement with them for Phase 1, with an extension long enough out that they could've helped us with construction support services for the design they had performed on Phase 1. This is the design of Phase 2, which we elected to proceed with. Phase 2 is the more complicated and more expensive design and construction through the more mountainous stretch near Mountain Springs on SR-160. So, this amendment then is for the design of Phase 2.

Savage: And, Phase 1 is incorporated in the original dollar allotment?

Terry: No, the original was the original contract. Amendment 1 was Phase 1. This is Amendment 2, is Phase 2.

Savage: Okay. Thank you for the clarity on that. Then lastly, I know we've discussed this in the past and I know we're going to discuss it at the Construction Workgroup Meeting this afternoon, but the level of detail in the Board Packets for the consultants, I believe, lacks compared to the construction documentation that we receive. I would really request the Department provide more detail for consultant agreements regarding budgets, allocations, timelines, overall budgets; would be much more helpful. I'm not doubting the service is needed and the value is there, but it's much easier to approve when we can drill down and look at the numbers is all I'm saying Mr. Terry.

Terry: All I can say is, we can provide that. We certainly have that. We have negotiation summaries and we have fee estimates as well as scopes and we can provide that, no problem.

Savage: I appreciate that. Thank you Governor, thank you Mr. Terry.

Sandoval: Member Skancke.

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Skanske: Thank you Governor. Mr. Terry, on the Item No. 1, is this an on-call contract or was this a bid contract, I get confused which ones are on-call based upon a two or three year bidding or how did this one come about?

Terry: This was a clear procurement for only this contract. It was cleared to all the ones that proposed, that they were being hired to do the NEPA and at the Department's option, we would add the final design. So, it was an individual and not an on-call.

Sandoval: Other questions from Board Members? Mr. Nellis, anything else?

Nellis: Governor, that concludes Agenda Item No. 7.

Sandoval: If there are no further questions, the Chair will accept a motion for approval of the Agreements over \$300,000 as described in Agenda Item No. 7.

Hutchison: Move to approve.

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

Knecht: Second.

Sandoval: Second by the Controller. Any questions or discussion. All in favor say aye. [ayes around] Oppose, no. That motion passes. Thank you. We will move to Agenda Item No. 8, Contracts, Agreements and Settlements. Mr. Nellis.

Nellis: Thank you Governor. There are two attachments that can be found under Agenda Item No. 8 for the Board's information. Beginning with Attachment A, there's three contracts on pages 4 and 5 of 16. The first project is located at the Carson City Maintenance Yard for drainage improvements and to repave the maintenance yard. There were five bids and the Director awarded the contract to Q&D Construction, Inc. in the amount of \$2,783,568.

The second project is located on Interstate 15 in North Las Vegas for seismic retrofit and rehabilitation structures. There were two bids and the Director awarded the contract to Granite Construction Company in the amount of \$2,050,050.

Finally, the third project is located on State Route 140 in Humboldt County for patching and chip seal. There were two bids and the Director awarded the contract to Sierra of Nevada Construction, Inc. in the amount of \$2,344,007.

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Governor, before moving on to Attachment B, are there any questions I may answer or direct to the appropriate person to answer?

Sandoval: Questions from Board Members on these first contracts? Member Savage.

Savage: Thank you Governor. Just a comment, Mr. Nellis. As a contractor on the private side, private world, I want to commend Rudy and your team on the BRAT, the Bid Review and Analysis. I know we've discussed it many times and the penny per ton syndrome that we've had. I really want to compliment you Rudy, and the Construction Department. In Administration, Robert, for holding people accountable for the numbers they present. I appreciate that as a Board Member and I know it's a hard pill to swallow for some contractors but we're making it a level playing field. I think that's the way it ought to be. I appreciate it. Thank you Governor.

Sandoval: Thank you Member Savage. On this first contract, that's a part of this EPA issue that we're dealing with?

Nellis: Yes.

Sandoval: If you could provide a little more background on that.

Malfabon: So, what we're doing Governor is some drainage improvements in the maintenance yard in the back and also repaving the parking lot. There's areas where a lot of water can get in and it doesn't pick up any contaminants from our pavement area. It will cause a lot of disruption for our staff that park in the back there. There are a lot of offices in the back, but it is a good project and it is going to speak well of the Department's efforts to the US EPA.

Sandoval: Probably be the fastest project completed, right? I just wanted to make sure that we talked a little bit more because this EPA issue has been an ongoing one. The improvements to the maintenance yards throughout the State has been an important piece of resolving this matter. So, I appreciate that we're on this now.

Malfabon: Thank you Governor.

Sandoval: Other questions on the contracts from Board Members on these first three? All right, please proceed Mr. Nellis.

Nellis: Thank you Governor. There's 65 executed agreements under Attachment B that can be found on pages 10-16 for the Board's information. Items 1-30 are

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acquisitions and cooperative agreements. 31-39 are facility and inter-local agreements. 40-48 are for lease and right-of-way access. And finally, 49-65 are service provider agreements. Governor, are there any questions that I may answer or direct to the appropriate person on these items?

Sandoval: Yes Mr. Nellis, thank you. The first I have is on No. 36, which is the Road User Behavior Campaign. It's \$3,050,000. Is that all federal money?

Malfabon: This is federal money. I don't know, Ken, do you have any comments? Ken Mammen will address the Board.

Mammen: Good morning Governor, Members of the Board. For the record, Ken Mammen, Chief Traffic Safety Engineer. To answer that question, yes, those are our highway safety improvement dollars that we used and we flex them over to the Office of Traffic Safety to do the campaigns.

Sandoval: And, pardon the pun, but do we reinvent the wheel every time we do these contracts? In other words, last year we approved these campaigns for road safety, do we continue to use those or do we freshen them up for lack of a better term?

Mammen: We do freshen them up, yes. We look at everything every year and move on to new campaigns. Some of them like Driver's Edge, is going to be a reoccurring theme. That's one of the things we do fund through this program.

Sandoval: So, what else do you fund? So, we have Driver's Edge, the commercials, the billboards.

Mammen: Some of the stuff we also fund are emergency rescue equipment. We're going to be buying some for North Lake Tahoe Fire Rescue. Older Driver's Program to get out and educate the older drivers, do some situational fits in the cars and such. We're buying some portable extraction equipment for Humboldt County. North Las Vegas Ped Safety Programs.

Sandoval: What is that?

Mammen: That's where they do joining forces campaigns. They go out and do pedestrian enforcement and education campaigns.

Sandoval: But what does that have to do with pets? Did you say 'pets'?

Mammen: Pedestrians.

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Sandoval: Oh, okay.

Mammen: I'm sorry, peds. I'm so used to saying it, peds. Pedestrians.

Sandoval: All right. PEDS, right? All right.

Mammen: We're trying to save the world here, even pets.

Sandoval: All right.

Mammen: We're also doing some data collection through the trauma centers and we're trying to link that up with our crash data to get a better picture of what's going on with that. Again, we're training for North Lyon Fire Protection and like I said, Driver's Edge is one of our big programs which we like to fund that one.

A lot of this, there's about \$1.1M that's media campaigns for the advertising that we do. That will actually be pulled back into NDOT and put into our Zero Fatalities Campaign, so this will actually go down to about \$2M. There's been some changes over OTS and we're going to be reconfiguring how we're doing business a little bit.

Sandoval: Will part of this be to slow down in construction zones?

Mammen: Currently not, but with the direction that we're hearing, we could be doing something just like that, yes sir.

Sandoval: I think we ought to include something in there for that.

Mammen: Okay. Actually, that might not be part of the OTS funding, this would be probably something we would do through NDOT's Zero Fatalities Program.

Sandoval: Thank you. That's all I have on 36 unless other Board Members have questions.

Mammen: Thank you.

Sandoval: Mr. Nellis, I was going to move to Contract 38 which is Lyon County Public Works. So, are we installing a traffic signal on Highway 50 in anticipation of the construction of the USA Parkway?

Nellis: We have Denise Inda here who can answer that question for you.

Inda: Good Morning Governor, Members of the Board. Denise Inda, Traffic Operations. This is an inter-local agreement that will allow for the installation of

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a signal when the time comes to have a signal in place. So, it's nothing that's going to be constructed initially, but it's getting everything lined up so that when the time comes it can be constructed, it addresses the maintenance responsibilities of the signal once it's installed.

Sandoval: Thank you. And then, going to 51, and that's another escalator issue. I don't know how this fits in with the other contract that we just approved.

Terry: Again, John Terry, Assistant Director for Engineering. The two bids we saw, we have an independent cost estimator estimate. We had to increase the contract with our independent cost estimator because we changed the scope so many times and we had to do an estimate and additional time because of all the changes. So, we were giving more money to our independent cost estimator for the CMAR project. Pretty much, it's done now.

Sandoval: All right. Thank you. I have no further questions. Board Members? Member Skancke.

Skancke: Thank you Governor. I just had a question on No. 52. While I'm sure the work warrants it, this is a multi-billion dollar project, I was just wondering and maybe I asked this at another meeting but to go from \$4.9M to basically \$9.9M, can we get a little more detail as to what, extend termination date and the authority. I mean, just a little more back-up on why that \$5M. Not that \$5M is a lot of money, but a million here and a million there and pretty soon you're talking about \$5M.

Nellis: Once again, John Terry.

Terry: And again, John Terry, Assistant Director of Engineering. Again, this is just to extend the termination date. This is a contract that's gone over many years. If you read at the bottom, CH was originally hired to help us with a public/private partnership for NEON and then it was extended into design-build with various changes over the years. I guess without going through every agreement, what have they done for all this money over the years is essentially those huge documents for the design-build and all the procurement process for the design/build that originally started as a PPP, to this point, is essentially what all the money has gone for.

I will bring up, we are going to have an amendment, probably next month, if not the month after, for CH to extend one of their agreements in order to help us

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during the actual design - build and construction phase as well. This one is simply to extend the one they had because we extended, because of the design-builders asking for extension, we extended the design-build and this is to keep them on board through that.

Skanche: Thank you.

Sandoval: Other Board Member questions? Mr. Lieutenant Governor.

Hutchison: Thank you Governor. While we're in the 50 range, let me have you take a look at 54, just for education for me. This is the Wildlife Hazard Assessment. I'm assuming this is just kind of evaluating whether wildlife is crossing the airport runways and fowl are flying in airspace, is that what that is?

Nellis: Actually, Lieutenant Governor, my understanding is that birds are a problem out there and this is mandated by the federal government.

Hutchison: What triggers that? This is a federal mandate?

Nellis: That's my understanding, yes sir.

Hutchison: And federal funding as well?

Nellis: Yes, it is federal funding, yes sir.

Hutchison: Let me just go back then to the beginning and I think I can probably guess what this means and maybe Mr. Gallagher, this is for you or anybody. We have a lot of descriptions of Protective Rent Agreements. Just need to understand what that is.

Malfabon: Paul Saucedo will address the Board.

Saucedo: Good morning Governor, Board Members. Paul Saucedo, Chief Right-of-Way Agent. The Protective Rent Agreement, we enter into those agreements with owners who may have tenants that we relocate prior to us obtaining occupancy or ownership of the property. So, it kind of protects us from having to relocate additional folks that they may move in, in order to keep their income coming in, if that makes sense.

Hutchison: Yeah, sure does. Great, thank you. And, let me just, Governor, if I may, as a few more follow-ups here. This is on Item 34 about the Mesquite Welcome Center Maintenance. It says that the, it looks like the service will be provided by the City of Mesquite and Clark County. I'm just wondering, because I was just recently

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out there and saw this, what's the State's role? Is there anything left here for the State to do or is this—and, I realize this is all by information, but is this all being cared for by the City of Mesquite and Clark County and do we have any obligation with this particular center?

Malfabon: I'll do my best to respond to that Lieutenant Governor. So, NDOT owns the facility but it's staffed by the, I believe the Las Vegas Convention and Visitor's Authority, has a staff out there. So, we have the responsibility for the facility and the grounds. So, we pay for the upkeep and maintenance and they staff it for us.

Hutchison: So, it's limited to maintenance for the most part?

Malfabon: Yes.

Hutchison: Okay, thank you. Then, if I could just look at Item 39, please. This Microsoft Training. First, I think it's a good idea that TMCC does this and I'm wondering if this can be replicated in other areas where we need the training for various NDOT matters with our community colleges, with our universities that can help us. I think that's a good idea. And, in doing this, do we get—I assume there's probably got to be a cost savings when we have TMCC do it as opposed to someone else in the private sector. Do you know how that compares? Are we getting a good deal, it seems like we would with our folks helping us that way.

Nellis: Is Mark Evans here? No. My understanding is they do attempt to look at anything we could get, either first through the State training and then through the University System before going to a third-party vendor.

Hutchison: Great, that's all I had.

Malfabon: And, if I may add, Lieutenant Governor, the community college also assists us in the Local Technology Assistance Program, LTAP, so a lot of the training to our maintainers and to local public agencies on good maintenance practices comes through the community college. So, not only for computer training but also practical operational training too.

Hutchison: Thank you.

Sandoval: Other questions? Just a follow-up from the Lieutenant Governor on 34, which is the City of Mesquite and the Welcome Center. Given Agenda Item 10 and what we're doing with West Wendover, have we done a cost benefit analysis on Mesquite?

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Saucedo: For the record, Paul Saucedo, Chief Right-of-Way Agent. No Governor, we have not done one.

Sandoval: It sounds like it would be a pretty similar outcome, correct?

Saucedo: We will definitely look into it, I would—it's going to be similar.

Sandoval: Well, I don't want to get into Agenda Item 10, but there's a bit of a precedent being set here and if we can show that it's beneficial to NDOT to turn these over and not have to spend \$33,000 a year to do the maintenance and turn it over to Clark County or the City of Mesquite, then we ought to explore that. It's contradictory to be approving \$33,000 for maintenance there yet we're giving it to West Wendover over here. So, I just ask that we look into that.

Malfabon: We'll look into that Governor.

Sandoval: Thank you. All right. Board Members, any other questions with regard to the Contracts, Agreements and Settlements described, oh you have more presentation, correct?

Nellis: No sir, that concludes Agenda Item No. 8.

Sandoval: Okay. Any other questions with regard to Agenda Item No. 8? Okay. It's an informational item, so we will, thank you Mr. Nellis. We will move on to Agenda Item No.9, which is Condemnation Resolution #451.

Malfabon: Thank you Governor and Board Members. This is Condemnation Resolution related to Project NEON. We have a property with several owners. We have a requirement to obtain property and fee, but also a temporary construction easement. We'd made an offer back in May of this year. The owners asked that we the condemnation process to acquire their property. We didn't receive any counteroffer from the owners. So, this is going to help us keep the project on schedule for providing the right-of-way to the design-build for Project NEON.

Sandoval: Thank you Director Malfabon. Questions or comments from Board Members? It's pretty straightforward, isn't it?

Malfabon: Yes.

Sandoval: If there are no questions, the Chair will accept a motion to approve Condemnation Resolution #451 as presented in Agenda Item No. 10.

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Skانعke: So moved.

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

Hutchison: Second.

Sandoval: Second by the Lieutenant Governor. Any questions or discussion on the motion? Hearing none, all in favor say aye. [ayes around] Oppose, no. That motion passes. I meant No. 9. Did I say 10? Okay. Well, I meant No. 9, is that good enough Mr. Gallagher, or should I—

Gallagher: Correct the record and have Board Member Skانعke so move, since he was the one that made the motion.

Sandoval: Yeah, that's my mistake. I had already crossed and moved on to the next Agenda Item. So, Mr. Skانعke, would you rephrase your motion for approval of Condemnation Resolution #451 as described in Agenda Item No. 9.

Skانعke: So moved.

Sandoval: Questions or discussion on the motion? Hearing none, all in favor say aye. [ayes around] Motion passes. All right, thank you Mr. Gallagher. We'll move to Agenda Item No. 10. Resolution of Relinquishment.

Malfabon: Thank you Governor. At the request of the Board, we did have our right-of-way folks do the estimated value of the building and the value was estimated to be \$290,000 for the Welcome Center for West Wendover. So, the packet provides all of that additional information. We're bringing this back for Board consideration for disposable portion of the right-of-way associated with the West Wendover Welcome Center.

Sandoval: Is there any further presentation? Mr. Controller, question.

Knecht: If there's no further presentation Governor, I'll just say thank you for bringing that as requested, Rudy. Governor, I stand ready to move approval when it's appropriate.

Sandoval: Thank you as well. I'm worried about the precedent because we can't, well you gave it to West Wendover, why can't you give it to us? I think we need to have the numbers to support all of this. So, I have no further questions. The Chair will

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accept a motion to approve the Resolution of Relinquishment as described in Agenda Item No. 10.

Knecht: Governor, I move approval of the Resolution of Relinquishment as described in Item No. 10.

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

Savage: Second.

Sandoval: Second by Member Savage. Any questions or discussion on the motion? All in favor say aye. [ayes around] Oppose, no. That motion passes. We'll move on to Agenda Item No. 11. Approval of the Fiscal Year 2016 NDOT Work Program and Acceptance of the 2016-19 STIP.

Peacock: Morning Governor, Members of the Board. Coy Peacock with the NDOT Planning Division, Program Development Office. I'm here to present the Fiscal Year '16 Work Program and the Fiscal Year 2016-2019 Statewide Transportation Improvement Program.

This process is a yearlong process. We start in October through December and we go out and meet with County staff and do workshops. We do follow-up after that and get feedback from all of the local governments. From May through July we go out and meet with formal boards to do County Consultation Tours. The Assistant Directors and Directors go out and meet with them formally in their meetings and present the Work Program and STIP. Yearlong we actually have tribal tours that we do. There's over 27 Tribes in the State, so it takes a lot of effort, so that's a year-long process. We continually do that. We don't have a set time. Then, in September/October, we ask for approval.

Last month, I demonstrated to you guys the e-STIP. I'd like to thank Member Savage for meeting with Joseph Spencer and myself and going through that. It was appreciative. I would like to extend one-on-one meetings with the rest of the Board Members, if they would like to go through that process. I request that you approve the Fiscal Year '16 Work Program and accept the 2016-2019 STIP.

Sandoval: Thank you. Questions from Board Members? Member Savage.

Savage: Just want to comment Governor. I want to return the thanks to Coy and Joseph. The entire staff at NDOT regarding this e-STIP. I know we spoke about it last

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month. It is a game changer, but your diligence, hard work and proactive nature on this is, again, we're leading I think amongst other states, my compliment and thank you.

Peacock: Governor, one last statement.

Sandoval: Yes.

Peacock: Meeting with FHWA, Federal Highway Administration. They are talking about the possibility of actually demonstrating the e-STIP on a nationwide webinar through their system so that we can show the other states what we've done here.

Sandoval: Congratulations. That speaks very well. Mr. Controller.

Knecht: Thank you Governor. I just want to say that I haven't been able to make as many of the rural county presentations as I've wanted to but the handful that I did go to were very effective and very helpful to me as well as to the local folks. We got some really good feedback from them on those presentations.

Sandoval: Thank you Mr. Controller. Mr. Lieutenant Governor?

Hutchison: Thank you Governor. Thank you again for this. This seems like a monumental task here, huge. And, one item struck me, I'm just curious of how you deal with this. In the background information that we've been provided is says, the STIP must be shown to be fiscally constrained based on anticipated federal, state and local funding sources. It seems like that would be very difficult, particularly on the federal level. We just got the Director's Report saying we think the Highway Fund is table through mid-2016. So, how do you do that? How do you anticipate these federal revenues when it's so much in flux right now, we don't know what's going to happen even after mid-2016.

Peacock: Well, we actually make reasonable assumptions. I've been doing this program for over 20 years and we have continually received federal funds. Whether it be through a continuing resolution or whether it be through a highway bill. So, in order for us to continue to do our job, we have to reasonably assume we're going to get that funding. So, we continue to work forward.

Now, if in fact we didn't receive the funding, we're kind of on the hook for the state funds to be able to fund it. We've been successful so far, so.

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Hutchison: Thank you. Thank you for that. Just a quick follow-up on, just my own information. It says that the Work Program is then presented as a three and a 10-year list of transportation projects presented to the State Legislative Council and to the State Legislature in the odd years, under the statute. Then that's got to be approved by the Legislature. As you say, you've got a three and a 10-year projection. Just out of curiosity and my understanding of the process, how does the State Legislature change, if they wanted to change that three or a 10-year projection that you're going to present to the Legislature, how is that going to change? Does that change through the budget approval every year?

Peacock: As far as the number of years?

Hutchison: Yeah. Well, and the projects that you identified and what you're going to do over those years.

Peacock: We've never actually had projects change by the Legislature.

Hutchison: Okay, that's never happened.

Peacock: No, that's never happened that I can remember.

Sandoval: Don't give them any ideas.

Malfabon: Lieutenant Governor, it's just a reporting function that we have a responsibility to report to the Legislature on our long-term projects.

Hutchison: It's purely reporting.

Malfabon: Yes, they just received the report, but we typically have not received direction from the Legislature on changing any programs.

Hutchison: Then I'll stop talking. Thank you.

Sandoval: Member Skancke.

Skancke: Thank you. I'd like to make a motion to strike that. No, in all seriousness, Sondra and Coy, all of you in the Department, in the Planning Department, this is outstanding work. What you all have done to change this and now you've got federal highways. Again, this goes back to our Governor building a new Nevada. You're delivering on that message and this is where we need to be. Congratulations. Thank you for all of your hard work. This is great for our State.

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Peacock: Thank you very much.

Sandoval: Any other questions or comments? Hearing none the Chair will accept a motion to approve the Fiscal Year 2016 NDOT Work Program and acceptance of the 2016-2019 Statewide Transportation Improvement Program.

Savage: Move to approve.

Sandoval: Member Savage has moved for approval. The Controller has seconded the motion. Any questions or discussion? All in favor say aye. [ayes around] Oppose, no. That motion passes. Thank you. Agenda Item No. 12, Proposed Programs and Projects with Additional Funding Provided by the 2015 Nevada Legislature.

Terry: Once again, John Terry, Assistant Director for Engineering. This presentation is about some of the additional funding that was provided by the Legislature and a request from you, Governor, for a presentation of what the Department was proposing to do with some of the additional money.

Just to summarize the additional funding we're talking about here. You can kind of read it up there, SB 376, the UBER Bill, the ride hailing companies, the first \$5M, goes in the first year of the biennium, so that would affect us in '16 and '18. Modifications to the GST. The distribution is really \$30.5M in 2017 and \$61M in 2018. Then, modifications to the DMV Administrative Cap of \$13M above the fiscal year.

So, what we're talking about here is money that we did not receive in Fiscal Year '15 that we—I don't want to say, we will be receiving—additional money that will go to the State Highway Fund, that did not go directly to the State Highway Fund in '15, going beyond. So, in '16, it's an additional, and again, I'm talking State Fiscal Years here. So, that would be July 1<sup>st</sup> to June 30<sup>th</sup>, of \$18M in '16, \$44M in '17 and \$80M in '18. Is there any questions on that?

So, again, it's additional revenue that goes in to the State Highway Fund, of which, we are the biggest user of that, but DMV and DPS are also users of the State Highway Fund. And, is really, what we often talk about as State Money. None of this is federal money.

So, what we did is looking at meeting the Department's goals and performance measures, which we presented before to this Board. You're kind of aware and we

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track performance measures, so it's how can we use this money to meet these performance measures and to sort of spread the dollars against many projects and programs statewide. Below is a list of really the programs that we currently have. These are things, the categories of which we spend construction funding on throughout the State, with capacity and 3R being the biggest. Rest areas is listed in red at the bottom because it's really not a current, but one that we're now proposing as being an area which we're going to spend funds on.

The additional funding, so we're talking about additional pedestrian safety projects, but we're not in this case talking about additional pedestrian safety projects in 2016 and frankly for the reason, the presentation that was made by PD Kizer last month, we're just getting out the ones this year. We're spending the full allotment that we've got in '16. Remember fiscal year '16 ends June 30, 2016. So, we're really talking '17 and beyond to add to the list that had previously been presented. We're developing the additional projects, like he mentioned and to develop—put more funding so we can get more of those projects done sooner, starting in State Fiscal Year '17 and beyond.

Storm water, again, the note at the bottom. Storm water is already addressed in every construction project we have. These are storm water specific projects. We feel we have additional projects that are available that we can spend additional funding on storm water projects. Especially moving out of just our district yards. We have storm water projects dealing with our material sources, our pits, as well as, our adding additional highway drainage improvements to projects that are not currently construction projects.

So, those are kind of our first two priorities for spending the additional money. Our ADA Program, I believe the Board is aware of the issue of the ADA and that is that, we as an underfunded category, historically, at NDOT, that we are a little bit behind in meeting the ADA Standards on all of our highways. This is mostly in the urban areas. We have just recently submitted the Draft ADA Transition Plan to the FHWA. In addition to, we have now mapped all of our ADA facilities statewide and are pretty close to completing that task. It's kind of similar to storm water. Storm water, we had the EPA and we were worried about getting into legal action from the EPA. Well, ADA, there's the Department of Justice and the ADA issues we feel we need to stay ahead of this and upgrade more of our ADA facilities statewide. Really the early ones that we're talking about are mostly at our interchanges and major arterial interchanges in the urban areas and standalone

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projects to upgrade the ADA projects within those areas. Mostly pedestrian ramps.

The next is the rest areas. They were in our budget. They were deleted from our budget by the 2015 Legislature. We're proposing going back to the Legislature and adding those back in and spending some of this additional money. The first one being Trinity on I-80 at 95A, which if any of you have stopped at that rest area would agree, it needs an upgrade. The other one is Millers which is near Tonopah and US-95. And, to get going with each rest area. These are probably over \$5M each to upgrade these rest areas, in all the areas they need to be updated.

Capacity is, of course, one of our biggest programs. The money wouldn't go that far in doing capacity projects. We're talking about freeway interchange enhancements in the urban areas to improve traffic flow and I would say some of the things like they're talking about up there in the North Valleys, just smaller improvements to the signals, the ramp meters, the ramps and those types of improvements at interchanges. Kind of get what we call, kind of big bang for the buck in terms of improving capacity without spending a lot of money and they're also the type of improvements that do not kick us into the higher level of NEPA assessment that takes much longer to analyze. We can get by with a categorical exclusion and it really helps us meet our mobility and safety goals.

The other area, and this would probably be towards the tail end of this three year period is to implement some of these Complete Streets. We've had numerous, sort of requests and ideas for doing these. Like, Bonanza area on North Virginia Street, Lake Mead in North Las Vegas, and some of these areas. What really Complete Streets are, less lanes, narrowing down the lanes, slowing down the traffic, adding in bike lanes, buffers to the bike lanes and incorporating some of those and using some money towards meeting NDOT goals for those. It really meets our mobility and especially meets our safety goals because there really are some safety improvements by doing these. Frankly, that 45 mile an hour speed limit on many of our arterials in Las Vegas where they often travel far faster than that are not very pedestrian and bicycle friendly facilities. In the right locations where there is enough capacity, I think these make sense.

Our 3R Program. We essentially are doing quite well and we get evaluated on the NHS. The NHS, National Highway System is our freeways and our major US routes. We're ranked quite high on that but if you look at our State Highway

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Preservation Report, we are falling behind on what we call our Category 4 and 5 roads. Those are our lesser state routes, around the state. We need to spend some 3R money on those. I will tie this in, some of these could be routes that we are looking for road swaps that we have to improve before we would do that.

The next is bridge and structures. Our major maintenance and seismic projects. These are not new bridges, these are seismic retrofit, deck repairs, joint repairs, on our major bridges. Again, I think we spend in the range of \$10M a year on those, but we need to spend a little bit more to kind of keep up with them and to kind of keep that high bridge rating. One of our major performance measures is the bridges on the National Highway System.

Two specific projects that need more money and we're specifically saying—this is the \$10M I talked about earlier. We think we need to spend \$10M beyond what we had already assumed in state funding on the Tropicana bridges and escalators to finish the job. The other one is this I-15 and Star Interchange. I was actually the Project Manager on the whole I-15 South Environmental Study. We moved ahead with the design-build south. We did the Cactus interchange. This is the next interchange down there. It is a fast growing area of Henderson. Frankly, the City of Henderson through the RTC's extra money is providing a large chunk of the funding for the interchange, over \$30M. We have old ear marks that are remaining—ear marks are old SAFETEA-LU money that's been carried over to spend on that. We believe with an additional of \$10M of state funding, we will be whole and be able to advertise the project in 2017. We really think this is a valuable use of additional state funding.

That concludes my presentation. I did come to this with more of an idea of dollars in each specific category. It became a really difficult thing to really say which year and each category. I could answer your questions in a general area of how much in each category, but we feel spending the money in these areas meets our performance measures but it also, these are things that we can do relatively quickly that don't have big environment or right-of-way constraints that we couldn't deliver quickly on. With that, if I could answer any questions.

Sandoval: Thank you Mr. Terry. This has been very helpful for me. As you said in your presentation, this is new money. This was money that previously went to the General Fund, correct?

Terry: Some of it, yes sir.

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- Sandoval: And, by putting this money here, we can deploy several more projects in some of these high need areas. Frankly, I can't disagree with any of the decisions that you've made in terms of how you're going to deploy the money. Again, it's only been a few months since the Legislature adjourned and you've already made those decisions and are moving that money where it needs to go. So, not only does it mean transportation improvements, safety improvements, but it also means we're putting people to work. And, I would imagine that there are several hundred construction jobs associated, if not thousands of construction jobs associated with these projects.
- Terry: Yes.
- Sandoval: So, well done. Other comments from Board Members? Thank you. Agenda Item No. 13, Old Business. Mr. Director.
- Malfabon: Thank you Governor. This has the Monthly Report on Outside Counsel Costs on Open Matters, the Monthly Litigation Report and the Fatality Report for September 1, 2015. We're able to answer any questions, either from the Attorney General Staff or for the Director.
- Sandoval: Questions from Board Members on Agenda Item No. 13? Mr. Lieutenant Governor.
- Hutchison: Thank you Governor. More of a request. As I look at the reports for both outside counsel as well as litigation matters, I see there's a category here for Contracts Closed Since Last Report and also Cases Removed From Last Report. Do we have anything in here that addresses cases or contracts added since the last report? If not, it'd be very helpful, just in terms of not beating the same old drum over and over again but we know what's new coming up. That's my comment and at least for me, Governor, helpful to see that.
- Sandoval: Mr. Gallagher.
- Gallagher: For the record, Dennis Gallagher, Counsel to the Board. Lieutenant Governor, we can easily make that change.
- Hutchison: Thank you. And, just along that line, are there any new cases or any new litigation? I don't know that I saw any since the last time we were here. It looks like it was all the stuff we've talked about before.

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Gallagher: I believe we have one additional personal injury action since the last Board Meeting.

Hutchison: Okay, thank you.

Gallagher: I would like to take this opportunity. We did change the format slightly under the condemnations. I created a new category, McCarran Widening Condemnations. Before they were simply intermixed and just so that the Board knows the McCarran Widening, it was anticipated that there would be handful of cases, not very substantial. So, we had one contract. That's why if you look at it, you'll see the fees and costs are in equal amounts. A lot of it was chasing property owners trying to clear up various liens on some of the properties.

One item that just came up two weeks ago, I believe, or a week and a half ago that I think indicates that it was a wise decision to do that. We did have a property owner who the Department sought a 150 square foot temporary construction easement at the back of their property in order to build the sound wall. The length of the proposed easement was two years with an option for a third. NDOT's appraisal came in at \$800. The property owner believed that it was a total take and demanded over \$200,000. It kind of stayed like that for a while. Obviously we had to get on to the properties for the project to go ahead so we came to the Board and got a condemnation resolution, which we thank you for. The property owner remained having a belief that this 150 square foot, temporary easement was worth a great deal more.

As the Board may recall, the State is obligated both constitutionally and statutorily to pay just compensation. Not just to that property owner, but to all the other property owners. Well, this property owner, while he came down from over \$200,000 to \$60,000 and then to \$40,000. At the eve of trial, came down to \$20,000. We decided, no, that wouldn't be fair to the other property owners that we've already settled with, so we went. We had gotten a litigation appraisal that came in at \$1,225. The jury went out and the jury came back and the jury sided with our appraisal and awarded \$1,225. Just sometimes you've got to take a case like that to trial, you have no choice.

Sandoval: Did you do an offer of judgement in that case?

Gallagher: Well, because it's condemnation, Governor, you know—

Sandoval: Are we still responsible for their attorney's fees even though the—

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Gallagher: Not attorney's fees, but certain costs of which, in this particular case, were minimal.

Hutchison: Thank you Governor. Let me just compliment the Attorney General's Office, since I've been on the Board, it hasn't been that long, I've been asking about taking matters through the Attorney General's Office into trial or litigating them and you're doing that more. I think it's commendable and something that we ought to respect and recognize. The lawyers at the AG's Office should have the best knowledge concerning condemnation and then all the things we do with them on NDOT and be able to take those trial and as you mentioned, Rudy, in your Director's Report, the MLK at Alta case was a fair resolution as a result of taking it to trial. So, thank you for paying attention to that and moving matters along Mr. Gallagher.

Sandoval: Other questions or comments? Rudy, could you briefly talk about the Fatality Report and where it stands as compared to last year?

Malfabon: Yes Governor and Board Members. Unfortunately we see that there is still this trend. The last two years we've had more fatalities than the previous year. I know that our staff are working in Southern Nevada with the Cities and Clark County and the RTC of Southern Nevada to put out some beneficial projects. They've spent some of their Fuel Revenue Indexing Money on some of our state highways to make pedestrian improvements. Unfortunately, we see that trend going up. Specifically, we're noticing this trend in bicyclist fatalities in Clark County. A very unfortunate trend and we're asking staff to look at what we can do, what the specific circumstances are of some of these crashes were fatalities occurred. And, what we can do in terms of, not only the behavioral aspects, but the infrastructure aspects of projects that we can do to drive down these fatalities.

Sandoval: Thank you. Any other questions from Board Members on Agenda Item No. 13? We'll move to Agenda Item 14, Public Comment. Is there any member of the public? Yes sir, Mr. Lake, I believe, if I recall correctly.

Lake: Thank you Governor, Members of the Board. Ray Lake for the record. I listened to the presentation on additional funding and one of the items disturbed me a little bit and that was the Complete Streets, specifically at the Bonanza. There's been a traffic signal put in there and it's helped a great deal. I drive through there probably several times a week. I wanted to point out that that is also the only reasonable other way into town when traffic backs up on 395. It's also the best

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route to go from the North Valleys into West Reno, via McCarran Boulevard, rather than driving all the way down 395. So, other people that I know that live in that area are really disturbed by that. I thought it was just a rumor, but obviously it's more than that. So, we really would not like to see that cut down. Thank you.

Sandoval: Thank you Mr. Lake. Any other public comment from Carson City? Mr. Skancke.

Skancke: I want to back up to I-11, just to keep beating this just for a second. I should've introduced Michael Aaron who is my former Chief of Staff at the Global Economic Alliance who is actually leading up their global initiatives on foreign direct investment. I'm no longer the CEO but I am going to volunteer Michael. If there is any interest to talk to some of these international investors who do massive infrastructure investments that can structure these projects, I think there's already some interest on I-11, please reach out to Michael and talk to him going forward. There is a lot of interest in international money. I-11 has a lot of interest across the region and around the world. I'd hate to see us miss those opportunities. It might be worth our while to talk to Michael at the Global Economic Alliance and at least maybe have some preliminary conversations. Thank you Governor.

Sandoval: Thank you. Any public comment in Las Vegas?

Martini: None Governor.

Sandoval: We'll move to Agenda Item 15, is there a motion to adjourn?

Hutchison: Lieutenant Governor has moved, Member Skancke has seconded it. All in favor say aye. [ayes around]



Secretary to Board



Preparer of Minutes