



Nevada Department of Transportation

Board of Directors • Meeting Minutes

September 14, 2020

9:30 A.M.

Meeting Location: Live steamed via BlueJeans in accordance with Governor Sisolak's March 22, 2020 emergency directive which suspends the requirements that there must be a physical location designated for meetings of public body where members of the public are permitted to attend and participate in-person so long as participation is available.

1. Welcome/Call to Order/Roll Call

Governor Sisolak called the meeting to order on Monday, September 14, 2020. A roll call was conducted, and a quorum was established.

Present: Governor Steve Sisolak, Lt. Governor Kate Marshall, Controller Catherine Byrne, Member Virginia Valentine, Member Justin Kalb, Member Stephen Ascuaga.

2. Public Comment

Three commenters were on the phone line:

- a. Leslie Creel called in regarding Elko, Nevada and the five miles of bike path that has been slated to connect Elko to the Spring Creek community for over a decade. Leslie continued that there has been a disturbance with a gas pipeline that is basically in the pathway of that proposed bike plan. It has been the understanding from various entities that the reclamation would include the bike path being constructed. It did not get included in this Phase 1 for 2020. She requested that the Elko bike path construction be included in the bid process of Phase 2 for 2021.
- b. Michael Barnes, of Heinz Ranch Land Company, discussed his company's upcoming Stone Gate Master Plan Community in Reno, Agenda Item 9, wherein Heinz Ranch Land Company will purchase 29.8 acres of property fronting U.S. Highway 395. With the transfer of the land, local flooding issues will be addressed. The project is approved for 5,000 residential units, 63 acres of commercial and



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retail uses, 107 acres of public facilities including two elementary schools and a 2,500 student regional high school campus, a fully equipped fire station, 50 acres of public parks, and 600 acres of open space. Phase 1 of the project is shovel-ready and will begin in the spring of 2021 and will generate significant employment with construction generating more than 4,800 primary and secondary jobs annually over the life of the project, and the commercial center and regional high school will generate more than 2200 primary jobs. The fiscal impact analysis shows that Stone Gate will add \$2.2 billion in taxable value to the real property tax rolls and generate over 168 million to the city of Reno. This development will construct more than \$190 million in public infrastructure that will be dedicated to governmental entities, including to NDOT, a new, five lane, divergent diamond interchange with ramp improvements and a standalone bicycle pedestrian bridge. It will also include new box culverts under U.S. Highway 395 North that will greatly reduce flooding in the region. It is anticipated that the public improvements provided by Stone Gate will benefit the future growth for the entire Cold Springs Valley.

- c. Michael Pavlakis, representing the Lepires on Agenda Item 8, informed the Board that he was prepared to answer questions regarding Agenda Item 8.

3. Consideration of Approval of the August 10, 2020 Nevada Department of Transportation Board of Directors Meeting Minutes (For Possible Action)

There were no corrections or changes in the minutes.

Motion: Approve the August 10, 2020 Nevada Department of Transportation Board of Directors Meeting Minutes

By: Member Stephen Ascuaga

Vote: Passed. Member Justin Kalb abstained from the vote as he was not a member of the Board and was not present at the August 10, 2020 meeting.

4. Receive Director's Report (Informational Item)



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Director Swallow welcomed new member, Justin Kalb, to the Board. Justin graduated from Arizona State University with a B.S. in Construction Engineering. He began a career in North Carolina, providing design builds for commercial services. Since 2001, he's been instrumental in Kalb Industries of Nevada's insurance related repairs, commercial design builds, and tenant improvement projects. In 2012, Justin was named president of Kalb Industries, which has been a local, family-owned business for decades. Justin is LEED-certified and achieved a gold level of certification on his very first project. He also has a passion for giving back to the community and his involvement with Boys and Girls Club, serving as a Board chair for Make A Wish Foundation in Southern Nevada and a member of the Southwest Rotary.

Member Kalb thanked Director Swallow for the introduction.

Director Swallow reported that fatalities are up since last year, nearly 4 percent across the state, which is in part attributable to significant increases in some rural counties. In Clark County, fatalities are down 3.45 percent compared to last year, including motorcycle fatalities dropping over 20 percent and bicycle fatalities dropping to zero. Washoe County has a 19 percent increase in fatalities over the past year. Both counties have increased pedestrian fatalities: 25 percent in Washoe County and 11 percent in Clark County. She continued that she often will tell a story about a fatality that occurred in the previous month, and though the stories are hard to tell and hear, but the 189 isn't just a number, it represents lives lost and families transformed forever. On August 22nd, on Mount Charleston, a vehicle carrying five occupants did not navigate a curve correctly and the vehicle struck a guardrail, rolled down an embankment, and hit a large tree. No passengers were wearing seatbelts. One passenger was ejected from the vehicle and that passenger and the driver died at the scene of the accident. Two other occupants were airlifted to UMC Trauma Unit, and the fifth occupant was transported by ambulance. NDOT encourages the use of seatbelts as this is one of the focus areas of the Zero Fatalities Program and is the single most effective action that can be taken to protect oneself in the case of an accident. This one action can reduce risk of death or serious injury by 50 percent. Buckle yourself, buckle your children, and make sure your passengers have also all buckled up.

Director Swallow discussed tracking the COVID traffic impacts. The Reno numbers had been improving, and over the last two months, have stabilized at slightly lower than at peak recovery. Elko continues to see a mixed response. In Las Vegas, where the trend was rising, the trend is now falling slightly and leveling off. These counts are an indicator of what is being seen financially. Financial impacts had not been discussed in detail since June



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and Director Swallow wanted to loop back and just let the Board know that we've been seeing in terms of revenue piece, not just the travel indicators. Actual tax collections of gasoline and special fuel, primarily diesel, were down 39 percent in April, 20 percent in May, and almost 6 percent in June when compared to the prior year's figures. Fiscal Year (FY) 2020 fuel tax collections were 14 million lower, roughly 5 percent, than those in FY 2019. FY 2020 highway fund user fees were down \$34 million from FY 2019. Updates will be provided every two to three months as tracking the revenue impact of COVID continues.

Director Swallow expressed her excitement on the virtual groundbreaking of the first phase of the Reno Spaghetti Bowl, the Spaghetti Bowl Express. This was a virtual groundbreaking and the seven-minute tweet is available online. A slide was included of Board members able to be present. She hopes to include future virtual aspects to groundbreaking events.

Director Swallow discussed the future Interstate 11 and how it traverses the Las Vegas valley. Last month the first virtual public meeting for the I-11, year-one, NEPA study was held to discuss how I-11 will cross the Las Vegas valley. There are three corridors: one along I-215 South, one along I-95, and a third, eastern corridor. We received significant feedback and the level of participation, with more than 1,300 attendees attended in the virtual meeting and the two interactive telephone meetings, surpassing expectation. More than 900 people have subscribed to the project email newsletter. 1,307 visited the online public meeting between July 31st and August 31st. Typically, before COVID when in person meetings were available, we would have 90 – 100 in attendance. We are excited to get all of this feedback from the community in terms of how best to extend I-11 across the valley in a way that we minimize the environmental impact of the corridor. The project website, I11NV.com, will remain in place for the duration of the project.

Director Swallow discussed the Downtown Access Project. An online platform is being used to share project details and receive feedback. The public can access the virtual meeting at www.ndotdap.com until September 22nd. The Downtown Access Project is located along I-515, U.S. 95, from Mojave Road to Rancho Drive. In this corridor, the I-515 is primarily a viaduct that consists of two aging bridges, one built in 1968 and the other in 1980, which require costly maintenance repairs and no longer meet the needs of the community. Addressing the aging infrastructure will help the area accommodate future travel demands, improve safety, and improve travel time reliability by adding braided ramps to and from I-15 in both directions and addressing



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the narrow, short spacing between the on and off ramps all along the corridor. It will additionally provide better access to downtown via HOV interchanges at City Parkway and Maryland Parkway.

Director Swallow reported good news that Nevada was recently ranked as having, overall, the best transportation infrastructure of any state by USA Today. While we were not top in any one category, the top spot was based on three factors: care of roadway in poor condition, we're at 14 percent and we're the 14th lowest; number of structurally deficient bridges, only 1.4 percent of our bridges are structurally deficient and we tie with Texas on that; and number of train derailments in recent years, we're the sixth fewest out of 49 states. Nevada has been able to reach this spot by continuing to deliver a program on managing our taxpayer funds. Nevada spends less per licensed driver than all but four other states. We appreciate our team and the broader team of transportation stakeholders across the state.

Director Swallow reported that at the end of August, Nevada received almost 47 million of additional obligation through the Federal Highway Administration's August redistribution process. This is the highest amount received by NDOT in a single federal fiscal year. Every federal fiscal year the Federal Highways provides funding for multiple programs but limits the amount that can actually be obligated or spent. So, known as "August redistribution", Federal Highways annually reassigns funding authority from states that were unable to utilize their full amount, as well as from federal transportation grant and loan programs that were underutilized. The funds are redistributed to states demonstrating projects that are ready to go and meet all federal funding requirements. In order to receive it, states must develop and provide a plan showing the projects and available funds sources that can use the additional money, and we must be ready to obligate that money by the end of September, the end of the federal fiscal year. In order to do that, NDOT follows standard practice amongst other state DOTs, where we plan to obligate the excess just in case. Projects that don't receive -- if we don't receive the August redistribution, they fall then into the next federal fiscal year funding authority.

Director Swallow wanted to thank Natalie Lieb, our acting chief of financial management, who led the effort in developing our redistribution plan as well as thanks to our financial management programs, roadway design, project management, environmental right of way and all other team members who made this possible. A special thanks to our Nevada Division Federal Highway Office Sue Klekar, Division Administrator, Greg Novak, Deputy Division Administrator, Tyler Finney, Financial Manager, and Pam Angelo, Financial Specialist. This does



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help us deliver our program. It helps us use more federal funding and less state funding when it comes to the annual process.

Director Swallow reported that NDOT has continued to contribute to Nevada's workforce and the economy in the last months and over the course of the pandemic. Pending today's approvals, the Board has approved over 8,600 job years since October.

Governor Sisolak asked if there were any question on the Director's Report. He then stated he had a question where reduction in revenue is impacting coverage ratios on outstanding debt.

Director Swallow responded that no, it's not. What was used was actually very conservative forecasting when looking at coverage ratios. She directed the question to Felicia Denney, Assistant Director of Administration.

Felicia Denney responded that when figuring out the coverage, the absolute lowest level was used, and there was still more than sufficient coverage that has been exceeding, even with the drop, and so we are not experiencing issues with that.

Governor Sisolak asked what the coverage ratio is now.

Felicia Denney did not have that information readily available but will provide it.

Governor Sisolak expressed concern regarding detrimentally impacting coverage ratios or credit ratings as a result of reduced coverage. He continued that he'd appreciate the information given to him and the rest of the Board.

5. Consideration of Approval of Contracts over \$5,000,000 (For Possible Action)

Director Swallow reported four agenda items for approval. The first is a recommendation for low bidder, Las Vegas Paving, for an older section of I-11 for a new pavement overlay; the second is a recommendation for low bidder, Las Vegas Paving, for the final phase of the Centennial Bowl in Las Vegas; the third is a recommendation



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for low bidder, Las Vegas Paving, for reconstruction of Nellis Boulevard in Las Vegas from Tropicana to Craig Road; the fourth is a recommendation for low bidder, Road and Highway Builders, for U.S. 95.

Bill Wellman from Las Vegas Paving joined the meeting via phone.

Governor Sisolak expressed concern regarding Las Vegas Paving's ability to complete the three large separate jobs.

Bill Wellman reported that Las Vegas Paving had enough resources and people to complete each job. Mr. Wellman reported that the Las Vegas Centennial Bowl project is scheduled for completion December 15, 2020 and will then transition to the I-95 paving project in Henderson. The current project at I-15 in Mesquite will also transition to the I-95 paving project in Henderson. Work on Tropicana Avenue to Boulder Highway is reaching completion and will transition to the Nellis Boulevard Project.

Governor Sisolak expressed his appreciation for keeping so many employed during this difficult time and contribution to our economy. He asked if there were any other questions.

Justin Kalb expressed his concerns regarding the cost of item number 4 and specifically cold milling as the bid is triple the other two contractors and double the engineer's estimate.

NDOT Chief Roadway Design Engineer Scott Hein explained that item number 4 is a passing lane project, so there will be some earth work and some bad soils underneath the road. A portion of that highway will need to be rebuild/reconstructed, and so the cold milling is not going to be the first item of work. The cold milling and paving processes go together and were priced together. Scott Hein is confident that the cost is a fair one.

Governor Sisolak requested the builder for additional clarification.

Steve Blakely from Road and Highway Builders joined the meeting and confirmed that Scott Hein is correct regarding the timeline of the process. Cold milling will be done at night and paving during the day. Mr. Blakely explained that some millings are being stockpiled at a location for NDOT and some of those millings will be processed or wrapped at their hot plant and the cost for that is included in the cold-milling quote.



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Governor Sisolak expressed that this issue will continue to be questioned in the future as it has in past meetings and expressed concern regarding a potential bid adjustment in the future.

Director Swallow responded that the company is not eligible for a future bid adjustment. A future bid adjustment can only be made if there is a substantial change in the quantity of the item or a significant change in the actual work product.

Motion: Approve Agenda Item 5 Consideration of Approval Contracts over \$5,000,000

By: Member Virginia Valentine

Vote: Passed Unanimously

6. Consideration of Approval of Agreements over \$300,000 (For Possible Action)

Director Swallow presented three agreements for consideration. The first is an amendment to add three years to an existing agreement for a local technical assistance program. This is 50 percent federal funded and provides a great resource not just to NDOT but to the local communities in terms of transportation training. The second is an amendment for Parametrix to help augment the freight program by including interactive story knots to help with the data understanding and sharing. The third agreement is for WSP USA to do the final engineering for the two new bridges that are being included in the I-515 southbound auxiliary lane project. This also includes bid-analysis review, supplementals, change orders, public outreach, all associated with the construction of this project as it goes into construction early next year.

There were no questions from Members.

Motion: Approve Agenda Item 6 Consideration of Approval of Agreements over \$300,000

By: Lieutenant Governor Kate Marshall

Vote: Passed Unanimously

7. Contracts, Agreements, and Settlements (Informational Item Only)



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Director Swallow had no comments.

There were no questions from members.

8. Consideration of Landowners, Eugene J. Lepire and Judith L. Lepire, a Claim for \$495,000 compensation pursuant to NRS 408.497. (For Possible Action)

Director Swallow shared that typically, when there's a dispute on land ownership, the landowners take us to court. NRS actually says that they should bring their claims to the State Board of Transportation initially for consideration by the Board.

Director Swallow reported that in March, the Lepires brought forth a claim alleging \$495,000 in damages to their Lyon County property. At that time the Board requested the Department have further discussion with the Lepires. The Lepires offered to resolve the matter by selling the property to the Department for roughly \$4 a square foot, which is comparable to what other properties in the area would sell for, for a total of \$168,528. Director Swallow reported that the Department identified a need in the area to have further land to help facilitate construction and for staging of materials and/or construction equipment and felt this was a fair resolution, and the Department recommended that the Board settle with the Lepires for \$168,528.

Lieutenant Governor Marshall inquired as to whether or not the Lepires had a permit to access the road in question.

Craig Reynoldson, Chief of Right-of-Way Division, reported that they were unable to find any permit.

Lieutenant Governor Marshall inquired if NDOT, in the construction, provided the Lepires two entry/exit points that previously did not exist.

Craig Reynoldson confirmed this.

Lieutenant Governor Marshall inquired whether or not a hotel being built where NDOT had done improvements would be more economically viable than one being built where NDOT had not done any improvements.



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Craig Reynoldson responded that, in his opinion, the construction on the property did not impact building a motel/hotel.

Lieutenant Governor Marshall inquired with the improvements that NDOT provided, was there likely to be greater traffic flows through that area.

Craig Reynoldson responded that he did not believe any traffic flow was impeded.

Director Swallow reported that in working with the Lepires, the Department recognized that there is value of the property to the Department and therefore were willing to purchase the property at a price not above that of other properties in the area and do not feel that the Lepires have been harmed. Settling the claim and purchasing the property will help avoid entering litigation and having to defend a lawsuit and ultimately, perhaps, having another settlement conversation with the Board of Examiners.

Motion: Approve Agenda Item 8 Consideration of Landowners, Eugene J. Lepire and Judith L. Lepire, a Claim for \$495,000 compensation pursuant to NRS 408.497

By: Controller Catherine Byrne

Vote: Passed. Lieutenant Governor Marshall opposed.

9. Consideration of Approval of SUR 18-07 Direct Sale of a portion of US-95, two parcels of land along US-395 at the Cold Springs Valley Interchange in the County of Washoe, State of Nevada. (For Possible Action)

Director Swallow reported that this item is to allow via direct sale additional property owned along US-95, along 395 north of Reno in the Cold Springs Valley, where there is a surplus right of way, approximately 510 feet. The surplus would reduce it to 350 feet, still providing for expansion of 395 in the region, when and if that should be needed in the future, up to five lanes in each direction. The surplus property is required to be sold to the property owner from whom it was purchased it should they put in a bid. The previous property owner did bid to purchase the property at fair market value, and therefore there is a request for the Board's permission for the direct sale.



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Lieutenant Governor Marshall inquired if NDOT could confirm or verify their own analysis such that flood management in the area is improved and that first responders and emergency vehicles will not have issues getting through the area in question.

Director Swallow indicated that there are three existing culverts crossing the road. When the development is completed, Stone Gate will provide fixed, continuous flood control channels through their development, channelizing that flow, and then in the area that is to be surplus, they will be constructing flood control facilities to convey that water safely across 395.

Lieutenant Governor Marshall asked if it was Director Swallow's understanding that emergency vehicles could access the area.

Director Swallow confirmed her understanding that this was the case.

Director Swallow explained that NDOT designed for storm events and acknowledged that there was a chance they would not be able to traverse the area if the design storm was exceeded.

Motion: Approve Agenda Item 9 Consideration of Approval of SUR 18-07 Direct Sale of a portion of US-95, two parcels of land along US-395 at the Cold Springs Valley Interchange in the County of Washoe, State of Nevada.

By: Member Stephen Ascuaga

Vote: Passed Unanimously

10. Consideration of Approval of Legislature-Approved Fiscal Year 2021 Vehicle Replacement and Procurement of Vehicles and Non-Rental Equipment in Accordance with NRS 408.389. (For Possible Action)

Director Swallow reported that each biennium, the legislature approves vehicle replacement expenditures as well as any new equipment purchases. Any item that is over \$50,000 requires approval of the Board.

Lieutenant Governor Marshall inquired if there are vehicles that have reached the requirement for replacement, which are not being replaced.



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Director Swallow responded that because there is a vast fleet of vehicles, to replace all that meet the criteria would be cost-prohibitive, so NDOT is looking to replace those that are the most critical to ensure that the program can be delivered.

Lieutenant Governor Marshall confirmed with Director Swallow that she is comfortable that NDOT is able to manage what is anticipated in terms of replacement due to changing weather conditions such as fire and flooding, et cetera.

Director Swallow responded that she is confident that the items being replaced are most critical to ensure function. Director Swallow acknowledged that it is possible that equipment may fail for weather/flooding reasons, but that NDOT is replacing equipment based on their budget.

Motion: Approve Agenda Item 10 Consideration of Approval of Legislature-Approved Fiscal Year 2021 Vehicle Replacement and Procurement of Vehicles and Non-Rental Equipment in Accordance with NRS 408.389.

By: Lieutenant Governor Kate Marshall

Vote: Passed Unanimously

11. Public Comment

Two commenters on the phone line.

- a. Alita Dupree from Las Vegas commented that she believes it's important to keep talking about the NDOT director's report and presenting the director's report in multiple places so that more people can hear this valuable and meaningful information. Ms. Dupree reiterated the issue of seniors and disabled that navigate the roads and that congestion is looming and therefore the 24-hour HOV lanes are an essential part of helping people who often don't have their own vehicles, such as users of RTC buses and paratransit, to be able to navigate the valley in a safe, affordable, and timely manner. Ms. Dupree gave her input on the necessity of a rail plan. Ms. Dupree gave her input on the necessity of more electric cars, buses, and trucks on the highway to clean up the air.



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b. The second caller was no longer on the line.

No further public comments.

12. Executive Session

There was no executive session today.

13. Adjournment

Lieutenant Governor Marshall requested that Director Swallow include a status update on the five miles of bike paths in Elko in their next meeting.

Director Swallow agreed.

The Governor thanked everyone and said he would accept a motion to adjourn.

Motion: Adjourn the September 14, 2020 Nevada Department of Transportation Board of Directors Meeting

By: Controller Catherine Byrne

Vote: Passed Unanimously



Secretary to the Board of Directors
Tracy Larkin-Thomason