May 4, 2016

Item #1

CITIZENS PARTICIPATION
Item #2

ELECT AN ACTING CHAIR

Item #3

APPROVAL OF MINUTES
OVERVIEW OF TRAC AGENDA

Item #4

Committee Goals

• Learn about the RTC including its roadway and transit priorities, as well as projects and priorities of state and local governments
  ➢ Pre-summer: Roadway
  ➢ Post-summer: Transit

• Provide input on our transportation and mobility priorities and projects

• Determine if additional funding is necessary and if so provide recommendations on funding mechanisms for projects.
Item #5

RESULTS OF THE TRANSPORTATION VALUES WORKSHOP

VALUE PRIORITIZATION SURVEY

Your Vision for the Valley’s Transportation Future

The Regional Transportation Commission of Southern Nevada is seeking your input on what the Valley’s transportation system should look like between now and 2040. Please share your transportation-related values and priorities to help the RTC develop our long-range Regional Transportation Plan.

The RTC guides Southern Nevada Strong, the Valley’s first regional plan for improving quality of life through transportation, economic development, education, housing, and smart growth.
RTC Transportation Values

Merged Public Survey & TRAC Results

<table>
<thead>
<tr>
<th>Values</th>
<th>Survey</th>
<th>TRAC</th>
<th>Combined Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manage Congestion</td>
<td>2</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Enhance Modal Connectivity</td>
<td>3</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>Increase Safety</td>
<td>1</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>Maintain Infrastructure</td>
<td>5</td>
<td>3</td>
<td>8</td>
</tr>
<tr>
<td>Improve Economic Vitality</td>
<td>7</td>
<td>2</td>
<td>9</td>
</tr>
<tr>
<td>Improve Freight Movement</td>
<td>6</td>
<td>3</td>
<td>9</td>
</tr>
<tr>
<td>Increase Accessibility</td>
<td>4</td>
<td>6</td>
<td>10</td>
</tr>
<tr>
<td>Promote Efficient System Operations</td>
<td>8</td>
<td>8</td>
<td>16</td>
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<tr>
<td>Protect Environment</td>
<td>9</td>
<td>9</td>
<td>18</td>
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</table>
Staff Recommendations: RTC Values

Four Primary Values:

<table>
<thead>
<tr>
<th>Tier</th>
<th>Value</th>
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</thead>
<tbody>
<tr>
<td>Primary</td>
<td>Manage Congestion</td>
</tr>
<tr>
<td>Primary</td>
<td>Enhance Modal Connectivity</td>
</tr>
<tr>
<td>Primary</td>
<td>Increase Safety</td>
</tr>
<tr>
<td>Primary</td>
<td>Maintain Infrastructure</td>
</tr>
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</table>

Five Secondary Values:

<table>
<thead>
<tr>
<th>Tier</th>
<th>Value</th>
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</thead>
<tbody>
<tr>
<td>Secondary</td>
<td>Increase Accessibility</td>
</tr>
<tr>
<td>Secondary</td>
<td>Improve Freight Movement</td>
</tr>
<tr>
<td>Secondary</td>
<td>Improve Economic Vitality</td>
</tr>
<tr>
<td>Secondary</td>
<td>Promote Efficient System Operations</td>
</tr>
<tr>
<td>Secondary</td>
<td>Protect Environment</td>
</tr>
</tbody>
</table>

Proposed Transparent & Accountable Project Selection Process

- Call for Projects List
- Initial Assessment
- Values (40 pts)
- Jurisdictional Needs (30 pts)
- Plan Linkages/RTC (10 pts)
Proposed Transparent & Accountable Project Selection Process

Call for Projects List

Initial Assessment

HIGH PRIORITY
Near-Term Priority Projects (start in 1-5 years) emphasis on values-related outcomes

MEDIUM PRIORITY
Mid-Term Priority Projects (start in 6-10 years) emphasis on advancing project readiness

LOW PRIORITY
Long-Term Projects (start in 10+ years) emphasis on refining project & phasing

Values (40 pts)
Jurisdictional Needs (30 pts)
Plan Linkages/RTC (10 pts)

Projects moving towards delivery

Projects will undergo additional planning, feasibility assessment, readiness development; or are waiting for appropriate ripeness/timing

Initial Assessment

Proposed Transparent & Accountable Project Selection Process

Call for Projects List

Initial Assessment

HIGH PRIORITY
Near-Term Priority Projects (start in 1-5 years) emphasis on values-related outcomes

MEDIUM PRIORITY
Mid-Term Priority Projects (start in 6-10 years) emphasis on advancing project readiness

LOW PRIORITY
Long-Term Projects (start in 10+ years) emphasis on refining project & phasing

Values (40 pts)
Jurisdictional Needs (30 pts)
Plan Linkages/RTC (10 pts)
Protect Environment

Protect natural resources and conserve energy.

HIGH PRIORITY
Near-Term Priority Projects
(start in 1-5 years)
emphasis on values-related outcomes

MEDIUM PRIORITY
Mid-Term Priority Projects
(start in 6-10 years)
emphasis on advancing project readiness

LOW PRIORITY
Long-Term Projects
(start in 10+ years)
emphasis on refining project & phasing

Proposed Transparent & Accountable Project Selection Process

Call for Projects List

Initial Assessment

Values (40 pts)
- Jurisdictional Needs (30 pts)
- Plan Linkages/RTC (10 pts)

HIGH PRIORITY
Near-Term Priority Projects
(start in 1-5 years)
emphasis on values-related outcomes

MEDIUM PRIORITY
Mid-Term Priority Projects
(start in 6-10 years)
emphasis on advancing project readiness

LOW PRIORITY
Long-Term Projects
(start in 10+ years)
emphasis on refining project & phasing

Projects moving towards delivery

Projects will undergo additional planning, feasibility assessment, readiness development; or are waiting for appropriate ripeness/timing

Capital Programming Process
- Immediacy Assessment (10 pts)
- Project Readiness (10 pts)
- Effectiveness/Outcomes (10 pts)

Funding/Fiscal Constraint

Programmed 5-year Project List (TIP/CIP)

Development Project List

Unfunded Project List

Proposed Transparent & Accountable Project Selection Process

Staff Recommendations
Staff Recommendations Summary

- Combine survey results with TRAC dotmocracy results.
- Use the top four values for project prioritization
  - Manage Congestion
  - Improve Safety
  - Enhance Modal Connectivity
  - Maintain Infrastructure
- Develop a transparent and Accountable Project Selection Process
- Develop Tools to help assess projects against values

TRAC Item #6

BACKGROUND OF ROADWAY FUNDING
U.S. Transportation Funding Overview

- Total annual spending on transportation averaged $213 billion between 2008 - 2012
  - State and local funding has increased to offset stagnant federal funding
- Spending on highways exceeds that for transit at each level of government

**Annual Spending on Transportation**
(Average of 2008-2012, $Billions)

- Federal, $54, 25%
- State, $84, 40%
- Local, $75, 35%

**Annual Share of Transportation Spending**
(Average of 2008-2012)

- Federal
- State
- Local

Source: U.S. Census Bureau’s Annual Survey of State and Local Government Finances

Federal Funding

- The federal government provides roughly 1/4 of public spending on transportation, mostly in the form of grants to states
  - The Highway Trust Fund collects and distributes money dedicated to federal highway and transit projects
  - Fuel taxes generate the majority of revenues in the Highway Trust Fund
    - 18.4 cents per gallon of gasoline since 1993

Source: Congressional Budget Office, revenue breakdown as of 2014
Federal Funding – FAST Act

- Fixing America’s Surface Transportation ("FAST") Act was signed by President Obama on December 4, 2015
  - Provides 5 years of funding authorization for infrastructure planning and investment
  - Authorizes $305 billion (all modes) over FY2016-2020, including $226.3 billion for highways

FAST Act Highway Authorizations

<table>
<thead>
<tr>
<th>Year</th>
<th>Billions</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2016</td>
<td>$42.7</td>
</tr>
<tr>
<td>FY 2017</td>
<td>$43.6</td>
</tr>
<tr>
<td>FY 2018</td>
<td>$44.6</td>
</tr>
<tr>
<td>FY 2019</td>
<td>$45.6</td>
</tr>
<tr>
<td>FY 2020</td>
<td>$46.7</td>
</tr>
</tbody>
</table>

Note: U.S. DOT; Federal Highway Administration

State Level Transportation Funding

- State DOTs rely on allocated federal funds to complement a variety of state-level funding sources

Sample State Highway Fund Annual Revenue Composition

- Oregon ($1.7B)
  - Population: 4.0M
  - Revenue Composition: Federal 26%, Vehicle Tax 18%, Fuel Tax 30%, Weight-Mile Tax 17%

- Virginia ($4.2B)
  - Population: 8.4M
  - Revenue Composition: Federal 20%, Vehicle and Driver Registration Fees 22%, Sales Tax on Fuels 18%

- Texas ($7.8B)
  - Population: 27.5M
  - Revenue Composition: Federal 40%, Fuel Tax 33%

Note: Revenue breakdown excludes bond proceeds; as of FY2015 or Budget FY2016
State Level Transportation Funding – Nevada

- Nevada’s Highway Fund relies on State fuel and motor vehicle tax revenues in addition to federal funding

State Highway Fund Annual Revenue Composition

- Federal 36%
- Fuel Tax 32%
- Vehicle Fees 20%
- Other (A.B. 595, interest, DMV, etc) 12%

Note: Revenue breakdown excludes bond proceeds; as of FY2015

Local Transportation Funding

Puget Sound Regional Council:
MPO and RTPO for King, Kitsap, Pierce, and Snohomish counties in the State of Washington

2010-2040 Transportation Plan:
Total Funding Needs: $173 Billion
Funding Sources:
- Federal
- State
- Local
  - Gas Tax
  - Sales Tax
  - Tax on Vehicle Market Value
  - Property Tax
  - Vehicle Registration Fees
  - Transit and Ferry Fare
- Private
- Proposed New Revenue
  - Tolls
  - Fuel Tax
  - Sales Tax (Increase)
  - Motor Vehicle Excise Tax
  - Property Tax
  - Transit and Ferry Fare (Increase)
  - Other (Parking, License, Impact fees)

Population: 3.9 Million

Note: Metropolitan Planning Organization (MPO); Regional Transportation Planning Organization (RTPO)
Local Transportation Funding

San Diego Association of Governments
MPO for San Diego County, California

2010-2050 Transportation Plan
Total Funding Needs: $214 Billion
Funding Sources:
- Federal
- State
- Local
  - General / Miscellaneous Road Funds
  - Sales Tax
  - Passenger Fares
  - Gas Tax
  - Toll Roads
  - Developer Impact Fees
  - Public Private Partnerships
  - Prior Funds
- Proposed New Revenue:
  - Sales Tax (Increase)

Population: 3.3 Million

Local Transportation Funding

Miami-Dade Metropolitan Planning Organization
MPO for Miami-Dade County, Florida

2019-2040 Transportation Plan:
Total Funding Available: $41 Billion
Funding Sources:
- Federal
- State
- Local
  - Fuel Tax
  - Road Impact Fees
  - Sales Tax
  - General Fund
  - Fares
- Potential New Revenue:
  - Sales Tax (Increase)
  - Property Tax (Increase)
  - Local Fuel Tax (Increase)
  - Tolls on MDX Expressways (Increase)
  - Hotel tax (Increase)
  - Parking Fees (Increase)
  - VMT Tax (Replacing Fuel Tax)

Population: 2.7 Million

Half Cent Sales Tax
53%
ADOT
Federal Transportation Funds 21%
CURRENT AND FUTURE TRANSPORTATION FUNDING OPTIONS

RTP Unidentified Funding Needs

- Southern Nevada has $6.7 billion (346 projects) of unfunded roadway needs over the next 10 years
• The RTC currently administers a common mix of sales tax and fuel tax revenues to fund roadway improvements

• The program is currently highly dependent on taxable fuel sales
  ➢ Taxable fuel sales, while subject to economic cycles, have been relatively stable in the last decades
  ➢ However, ongoing strategy needs to account for the rise of non-fuel operated vehicles

<table>
<thead>
<tr>
<th>Street &amp; Highway Funding Source</th>
<th>Current Levy</th>
<th>Annual Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gas Tax</td>
<td>9¢/gallon County MVFT</td>
<td>$66M</td>
</tr>
<tr>
<td>Indexed Fuel Tax Revenue</td>
<td>8.8¢/gallon on gasoline*</td>
<td>$75M</td>
</tr>
<tr>
<td></td>
<td>7.5-10¢/gallon on special fuel (amount vary across different fuels)*</td>
<td></td>
</tr>
<tr>
<td>Jet Aviation Fuel Tax</td>
<td>1¢/gallon</td>
<td>$3M</td>
</tr>
<tr>
<td>Sales and Use tax</td>
<td>0.125% on taxable revenue</td>
<td>$43M</td>
</tr>
</tbody>
</table>

• A portion of annual revenues are also dedicated to pay bond debt service

*As of July 1, 2016; amount represent the RTC’s share only; total gasoline indexed rate is 10¢/gallon

• The County also administers certain other taxes dedicated to transportation
  ➢ Revenue generated from these taxes are used to fund projects in the County’s Master Transportation Program

<table>
<thead>
<tr>
<th>Street &amp; Highway Funding Source</th>
<th>Current Levy</th>
<th>Annual Revenue</th>
<th>Projects Funded</th>
</tr>
</thead>
<tbody>
<tr>
<td>Room Tax</td>
<td>1% on taxable revenue</td>
<td>$50M</td>
<td>Resort Corridor Improvements</td>
</tr>
<tr>
<td>Development Fees</td>
<td>$800 / single family unit</td>
<td>$14M</td>
<td>Beltway construction and improvements</td>
</tr>
<tr>
<td>Motor Vehicle Privilege Tax (MVPT) (Supplemental GST)</td>
<td>1% on taxable revenue</td>
<td>$54M</td>
<td>Beltway construction and improvements</td>
</tr>
<tr>
<td>Gas Tax</td>
<td>3¢/gallon County MVFT</td>
<td>$22M</td>
<td>Street and highways maintenance</td>
</tr>
</tbody>
</table>
RTP Other Funding Sources

- In addition to local taxes administered by the RTC and the County, the Regional Transportation Plan ("RTP") is supported by a wide mix of federal, state and private funding.

<table>
<thead>
<tr>
<th>Federal Highway Programs (Statewide funds identified for projects in Southern Nevada)</th>
</tr>
</thead>
<tbody>
<tr>
<td>NHS</td>
</tr>
<tr>
<td>STP (Statewide)</td>
</tr>
<tr>
<td>Earmarks and Discretionary Programs</td>
</tr>
<tr>
<td>Safety Programs</td>
</tr>
<tr>
<td>Enhancements and Alternatives</td>
</tr>
<tr>
<td>Federal Highway Program Funds allocated to Southern Nevada</td>
</tr>
<tr>
<td>CMAQ</td>
</tr>
<tr>
<td>STP (Clark)</td>
</tr>
</tbody>
</table>

State Funding

<table>
<thead>
<tr>
<th>State Gas Tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Bond Proceeds</td>
</tr>
<tr>
<td>Governmental Services Tax</td>
</tr>
</tbody>
</table>

Private Funding

<table>
<thead>
<tr>
<th>Las Vegas Monorail Corp.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private Developer exactions and contributions</td>
</tr>
</tbody>
</table>

Source: RTP 2013-2035

Overview of Funding Options

Common transportation funding sources fit into one of the following categories based on how the fee is collected:

1. **User Fee and Tax:**
   - Based on direct or indirect use of transportation infrastructure

2. **Specialized Tax:**
   - Based on non-transportation activities, but dedicated to transportation

3. **General Tax:**
   - Based on and used for broad purposes, of which transportation may be one
Transportation Funding Sources

User Fee and Tax

Fuel Tax:
• Motor Vehicle Fuel Tax
• Taxes on Alternative Fuel
• Fuel Tax Indexing

Vehicle Fees:
• Registration Fees
• Excise Tax on Vehicles / Vehicle Sales
• Governmental Services Tax (MVPT)
• Annual fee on Alternative Fuel Vehicles and Electric Vehicles

Alternative Taxation of Vehicles:
• Vehicle Miles Traveled
• Weight-Distance Tax
• Parking Fees
• Car Rental Tax
• Tire Tax

Tolling:
• Existing Roads / New Roads
• High-Occupancy Toll Lanes

Specialized Tax

Sales Tax:
• New Increment of sales tax

Hotel Room Tax
• System-Wide
• Within a Specially Benefitting Area

Value Capture:
• Special Improvement/Assessment Districts
• Tax Increment

Impact Fees:
• Development Fees (in areas served by new infrastructure)
• Development Agreements
Transportation Funding Sources

General Tax and Other

Property Tax:
- Governmental Services Tax (Personal Property Tax) - currently at constitutional limit
  - System-Wide
  - Within a Special Area

Employment/Payroll Tax:
- Fixed charge per employee
- Variable charge by payroll

Other
- Private Equity

---

Common Evaluation Criteria for Potential Funding Sources

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Metrics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>• Yield</td>
</tr>
<tr>
<td></td>
<td>• Adequacy</td>
</tr>
<tr>
<td></td>
<td>• Stability / Predictability</td>
</tr>
<tr>
<td>Cost efficiency</td>
<td>• Administrative cost to RTC</td>
</tr>
<tr>
<td></td>
<td>• Compliance costs to taxpayers</td>
</tr>
<tr>
<td>Equity</td>
<td>• Fairness of cost burden across income groups</td>
</tr>
<tr>
<td></td>
<td>• Fairness across geographic locations</td>
</tr>
<tr>
<td>Economic efficiency</td>
<td>• Pricing efficiency (demand vs supply)</td>
</tr>
<tr>
<td></td>
<td>• Impacts to society and environment</td>
</tr>
<tr>
<td>Acceptability</td>
<td>• Political acceptability</td>
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<tr>
<td></td>
<td>• Local popularity</td>
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<tr>
<td>Feasibility</td>
<td>• Administrative</td>
</tr>
<tr>
<td></td>
<td>• Technical</td>
</tr>
</tbody>
</table>
Selected Funding Options and Yields Comparison

Estimated Annual Revenue ($Millions)

Existing

- Motor Vehicle Fuel Tax ($0.09/Gallon)
- Fuel Tax Indexing I (RTC/County - $0.10/Gallon)
- Sales Tax (0.125%)
- Motor Vehicle Fuel Tax ($0.10/Gallon Increase)
- Fuel Revenue Indexing II (RTC/County - $0.22/Gallon) *
- Fuel Revenue Indexing II (State - $0.14/Gallon) *
- Taxes on Special Fuels ($0.10/Gallon)
- Annual Registration Fee - All Vehicles ($10 Increase)
- Annual Fee for Alternative Fuel/Electric Vehicles ($100)
- VMT Fees - All Vehicles ($0.01/Mile)
- VMT Fees - Electric Vehicles Only ($0.01/Mile)
- Tolling (10 Miles)
- Tire Tax ($1/Sale)
- Car Rental Tax (1%)
- Sales Tax (0.25%)
- Sales Tax on Motor Fuel (1%)
- Sales Tax on Vehicles and Parts Sale (2.25%)
- Room Tax (1%)

New

* By FY2027, assuming uncapped indexing at 4.54% annually

**Item #8**

EXTENSION OF THE FUEL REVENUE INDEXING PROGRAM
POTENTIAL COST TO MOTORISTS ON AVERAGE

**Preliminary Analysis**

TRAC Item #9

OPEN DISCUSSION ON TRANSPORTATION FUNDING OPTIONS