



TRANSPORTATION
RESOURCE ADVISORY
COMMITTEE & COMMUNITY
COLLABORATION

October 22, 2020



Item #1

CITIZENS PARTICIPATION

The first item is to conduct a comment period for citizens participation. This is the first time set aside for public comment. Anyone wishing to speak to the Committee regarding a specific agenda item, please come forward and state your name for the record.



Item #2

APPROVAL OF MINUTES

The second item is approval of the June 7, 2018 minutes. *(For possible action)*



Item #3

WELCOME AND NEW MEMBER INTRODUCTIONS



Item #4

TRAC GOALS, FRAMEWORK & AGENDA REVIEW

The next item is to review the committee goals and today's agenda.



COMMITTEE GOALS

- Learn about Southern Nevada's mobility challenges, new developments and opportunities.
- Learn about smart communities, emerging technologies and how these efforts can impact and improve mobility, accessibility and safety in Southern Nevada.
- Obtain input and feedback and make recommendations on how to best address and prioritize mobility solutions.
- Explore current and future mobility funding and resources.



AGENDA REVIEW

- RTC Update
- 2021 Legislative Agenda
- Upcoming Events and Announcements
- Open Discussion



Item #5

RTC UPDATE



Like every public and private organization in this state, the RTC is facing the stark financial and operational impacts of this pandemic.

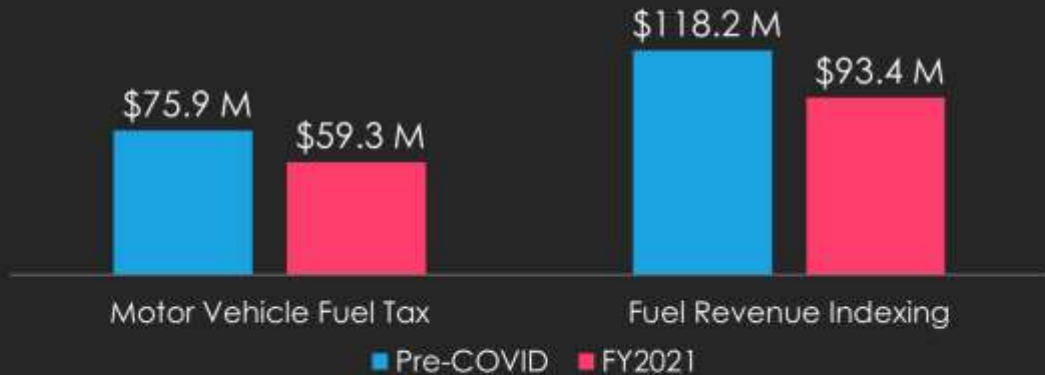
Today, you will receive an update

- regarding our transportation budget challenges pre- and post-COVID



I want to start with a brief roadway funding update.

ROADWAY FUNDING



NOTE: Based on current projections effective Aug. 14, 2020 and subject to change due to sales tax, federal grants, capital expenditures, and motor vehicle fuel tax.

Unfortunately, our roadway funding program has already been significantly impacted by COVID-19.

Pre-pandemic, we were projecting \$75.9 million in Motor Vehicle Fuel Tax (MVFT) Revenue for FY21.

However, **(CLICK)** we are now estimating to have \$59.3 million dollars. (Loss of \$16.6 million dollars)

For our FRI program we were projecting \$118.2 million in fuel tax revenue , but due to the Coronavirus shutdown we are projecting we will have \$93.4 million. (Loss of \$24.8 million) [Combined, the projected fuel tax revenue loss is \$41.4 million for FY21.]

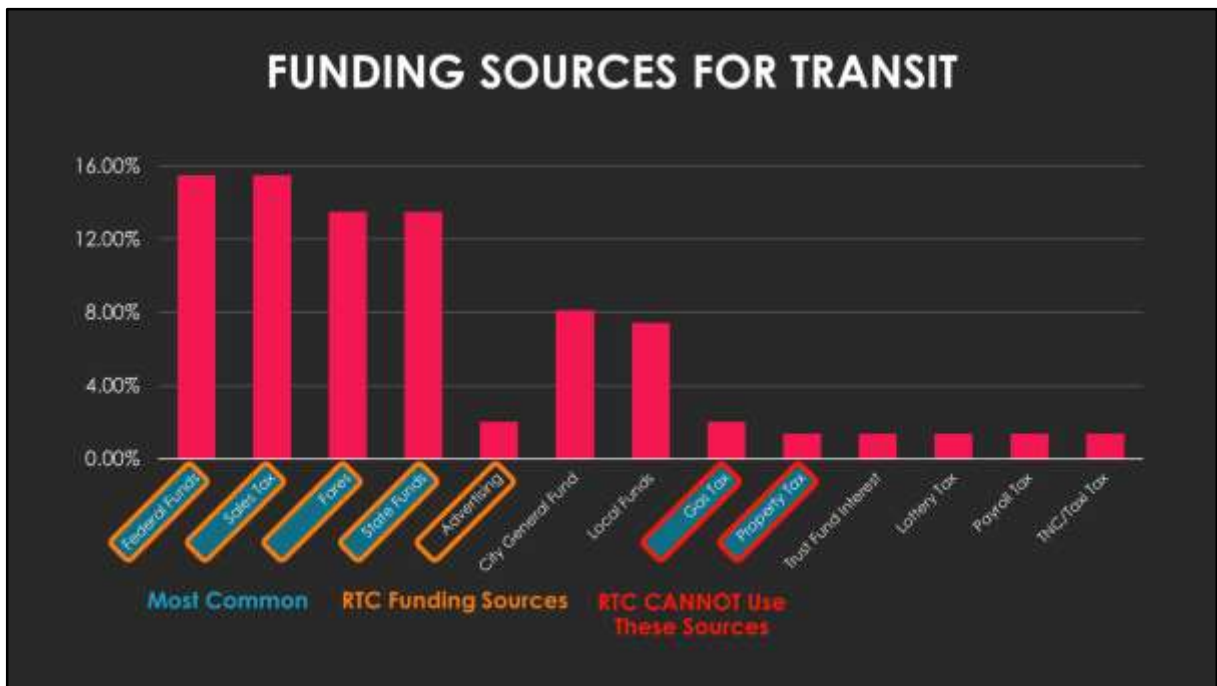
The pandemic has affected our infrastructure funding. However, projects already underway will not be affected.

There are currently more than 240 projects in different stages of construction throughout Southern Nevada. The RTC is also working with local jurisdictions to program more than \$2.1 billion in roadway projects over the next 10 years.



Now, let's talk about transit. As we have previously reported to this committee, at the RTC it's our responsibility to provide transportation options for our residents and visitors. These options include our bus service and paratransit services, as well as special programs for our seniors, veterans, and other community initiatives we take part in.

In the next couple of slides, you will get an update about how we as a community fund our transit system, how other communities fund their transit systems, and our current funding challenges.

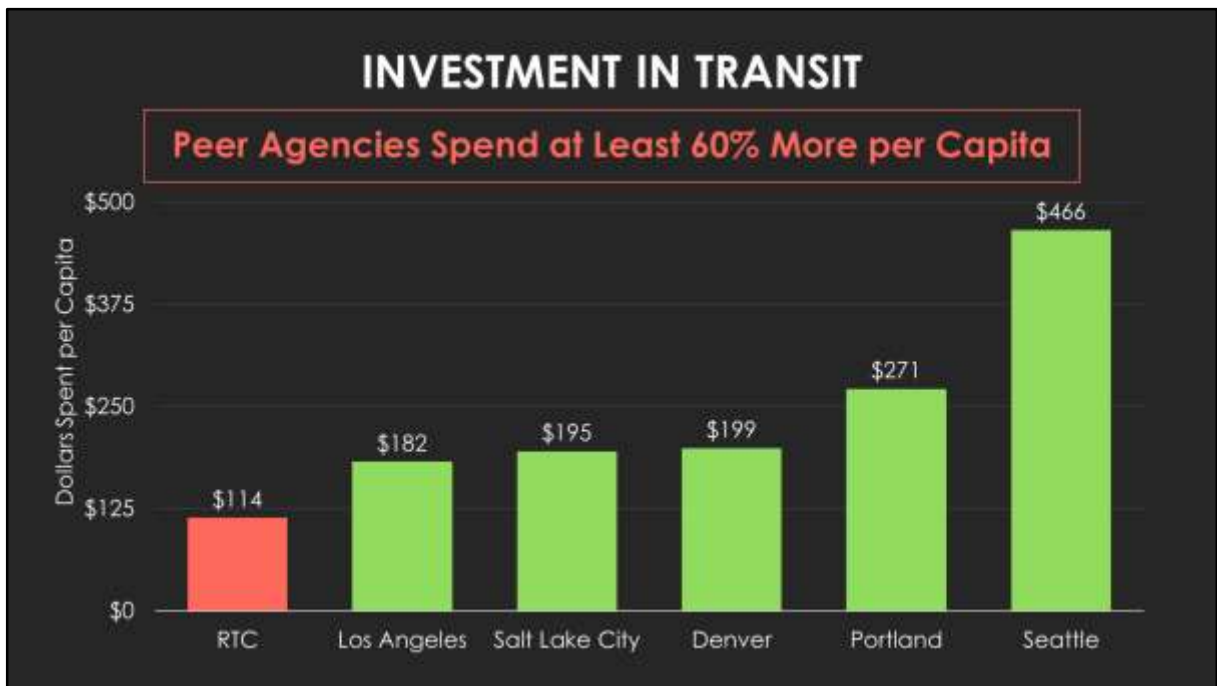


In 2018, the RTC commissioned a survey to evaluate the funding sources for transit among our peer agencies. We reached out to 75 transit agencies, and we heard back from 45 agencies. This chart provides a list of funding sources and the percent of all mentions of that particular source.

(CLICK) The most common responses were federal funding, sales tax, fares, state funding, gas tax, and property tax.

(CLICK) The RTC is similar with federal funds, sales tax, fares, and state funds through Medicaid and advertising revenue.

Some unique funding sources for transit service also included TNC and taxi surcharges, and vehicle registration taxes.



We also wanted to understand how other communities are investing in public transit and so we looked to the National Transit Database, which collects data annually from all federally funded public transit agencies.

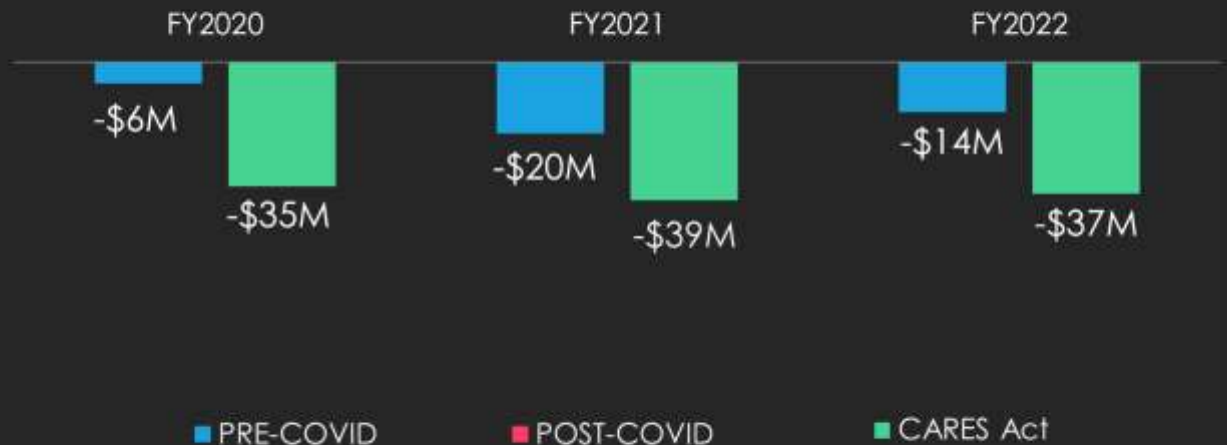
What we learned is that here in Southern NV we spend ~ \$114, annually, per capita on transit, when compared to our peers, who spend on average 60% more, annually, per capita on transit in their respective communities. (Total operating expenses, specifically state funds, local funds, and passenger fares, and service area population)

In other words, those communities are investing significantly more in public transportation than we do here in our region.

BACKGROUND

NTD data is from 2018 and pulled from the most current comprehensive agency profile view. Total operating expenses are specifically state funds, local funds, and passenger fares as other operating expenses such as federal funds (i.e., grants) and capital expenses (i.e., transit centers, bus shelters, etc.) can fluctuate greatly depending on agency priorities each year. Additionally, the service area population was pulled as it differs greatly from urbanized area population, resulting in a more accurate per capita dollar amount.

CURRENT TRANSIT PROJECTED BUDGET DEFICIT



NOTE: Based on current projections effective Aug. 14, 2020 and subject to change due to sales tax, federal grants, capital expenditures, and motor vehicle fuel tax.

Prior to COVID-19, our transit service was already facing significant financial strain. Demand for transit service outweighed our available resources. Our previous revenue and expense projections showed a \$6 million shortfall in our transit fund for FY 2020, \$20 million in FY 2021, and \$14 million in FY 2022.

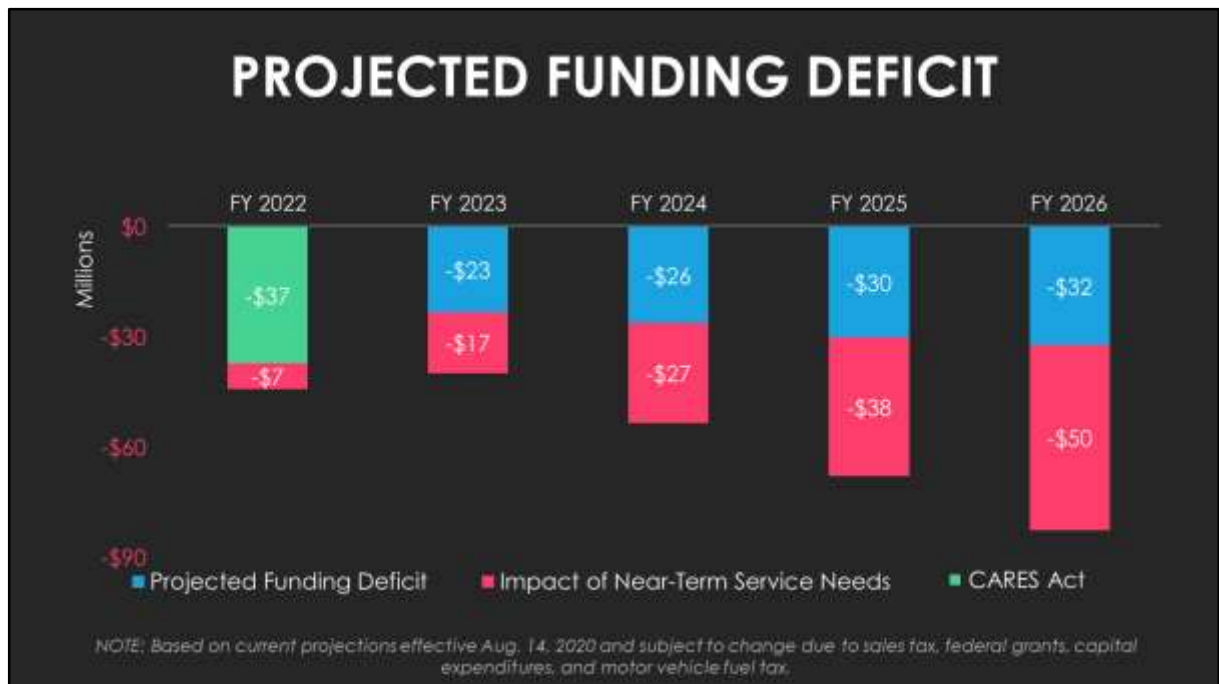
Transit's two main funding sources, sales tax and passenger fares saw severe declines due to COVID-19, which greatly affects the transit fund. As you can see on the slide, FY 20's deficit increased to \$35 million and we estimate a \$79 million shortfall in FY 2021 and \$37 million in FY 2022.

To manage to the budget deficit in FY 2021, internally, we **(CLICK)** cut nearly \$40 million from our budget. We:

Eliminated and postponed capital projects; eliminated, suspended, and cut contracts; implemented a hiring freeze, cut management staff pay, and laid off and furloughed nearly 15% of our workforce; and made a significant reduction to our current transit system earlier this month.

Thanks to the CARES Act **(CLICK)**, the RTC will receive \$112 million in federal funds, which will address the deficit through FY22.

However, after FY 2022, our transit funding will be in a dire situation.



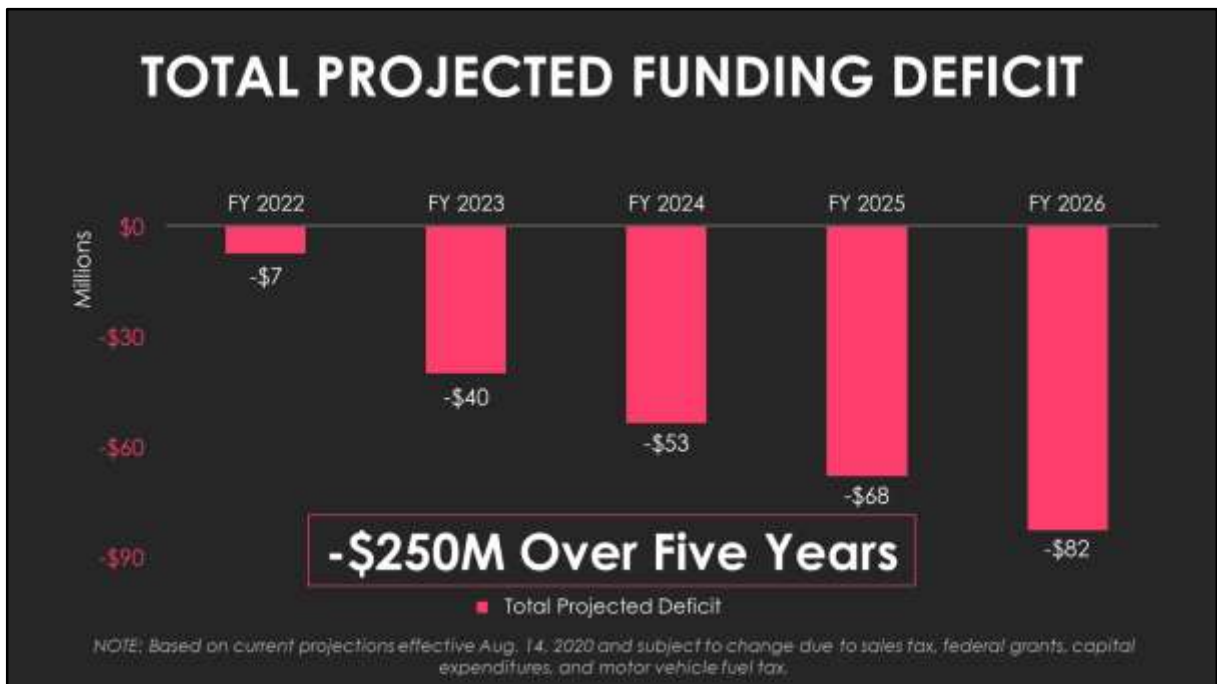
The CARES Act is a temporary funding solution. There is likely no additional transit funding coming from the federal government to address this long term structural deficit through 2026 shown in blue.

However, in addition to the structural deficit, we are still not meeting the transportation needs of our community. We continue to receive requests from both businesses and residents, and we know we need to extend service to areas like the south, southwest, and northwest.

Any proposed new routes and extensions have been needed for several years. To put this into perspective, there are over 176,000 persons in the Las Vegas valley in households without access to a vehicle and many in those areas unserved by transit fall within or below the poverty line. These persons do not have access to any jobs available that are beyond the reach of the transit system. **{which includes much of Enterprise, portions of NLV, Centennial Hills, West Henderson and many other areas}**

In addition, these extensions to transit would also provide transit within a half-mile to more than 17,000 seniors and expand the paratransit service area, as significant portions of the Valley are effectively off-limits to them.

The additional resources needed to expand transit service and meet the immediate needs of our community only compounds our structural deficit **(CLICK)** as you can see here.



The total cost to maintain our existing service as well as add the much-needed transit is **(CLICK)** approximately \$250 million over five years.

It's also important to note that our current projections may change due to changes in sales tax, federal grants received, and the timing of capital expenditures.

As an agency, we will continue to explore additional funding opportunities and manage our budget to the deficit, which may include additional transit service cuts and further delays in our capital programs.



Despite our financial situation, we still have a responsibility as the Metropolitan Planning Organization to plan for our region's mobility needs today and in the future.

We spent the last 24 months developing the On Board plan. Many of you have provided your input throughout the process for what the future of mobility can look like. We are vetting through the 8 big moves and 64 transit strategies and investments that will modernize our public transportation system, increase accessibility and improve safety for our residents and visitors.

We anticipate having the final plan and costs next year and look forward to sharing this with you. If you would like more details on this, please let me know and I will be happy to send the draft recommendations to you.



- FTA Project Development Begins – January 2020
- Initiate Design – October 2020
- Begin Pre-Construction and Final Design – October 2021
- Construction – 2023-2024

- FTA PROJECT DEVELOPMENT BEGINS – JANUARY 2020
- INITIATE DESIGN – OCTOBER 2020
- BEGIN CONSTRUCTION MANAGER AT RISK PRE-CONSTRUCTION AND FINAL DESIGN – OCTOBER 2021
- CONSTRUCTION – 2023-2024



Item #6

2021 LEGISLATIVE AGENDA



[ANGELA SPEAKING]

Good morning, for the record, my name is Angela Castro with the RTC.

As we gear up for the 2021 legislative session, we have three priorities.

The first priority is to seek RTC legislation for a microtransit solution that will permit the RTC to offer microtransit, otherwise known as on-call, on demand transit service. We are looking to amend NRS 377A that prohibits only Clark County from providing on-call transit service.

Our next priority is monitor any Bill Draft Requests (BDRs) and react to legislation that could impact the RTC during the session.

Lastly, we will continue to communicate our funding needs and priorities as related to both roadways and transit.

BACKGROUND

MICROTRANSIT

Per our last briefing, we are seeking language to amend NRS 377A which prohibits counties of 700,000 or more so Clark from providing on call transit services. This will allow us to utilize microtransit service as a possible transit solution to effectively and to meet the transportation needs of our community. It is important to note that RTC Washoe currently operates microtransit, FlexRide, in East Sparks and the North Valleys, and will expand the service into the Spanish Springs and Somersett areas later this month. We are simply asking for the same authority as the public transportation provider in Southern Nevada. We are moving forward to gain support for the proposed legislation. We have introduced the proposed legislation to the co-chairs of the Transportation & Infrastructure Committee for Southern Nevada Forum. Senators Brooks and Hammond and Assemblymen Watts and Hafen were all supportive of the concept. And we are currently meeting with the entities' staff to get their input on the bill language.



In looking at bill draft requests or BDRs there are currently 491 BDRs that have been released, 88 of which we are actively tracking.

Of these, we have identified a few high-priority BDRs:

- There are BDRs that revises provisions relating to electric vehicles that we are closely monitoring;
- There is a BDR from the Department of Transportation that establishes an advisory committee to study issues and make recommendations to state and local agencies to improve traffic safety;
- And most recently the Legislative Committee on Energy made the recommendation at their last interim committee meeting to introduce two BDRs that could potentially impact the RTC.

Updated by Aileen on 10.20.20

INTERNAL NOTE: There is currently only one BDR related to electric vehicles, however, there are others related to off-highway and rental vehicles.



The first recommendation was developed with the help of the Nevada Department of Transportation (NDOT) and other state agencies that would draft a bill to establish a working group to address Nevada’s long term transportation needs and funding. The working group would consist of Metropolitan Planning Organizations, agencies with transportation and clean energy expertise, and other interested parties to address transportation needs and funding. The working group would primarily focus on analyzing whether the Natural Resources Defense Council’s funding model or Utah’s Road Usage Charge Program would be the best solution in helping to address Nevada’s long term transportation funding needs. The committee would be asked to produce a final report and submit it to the Nevada Legislature by December 2022.

The second recommendation was to draft a bill to amend Article 9, Section 5 of the Nevada Constitution to broaden the use of motor vehicle fuel tax that is currently restricted to the construction and maintenance of roadways. During the committee hearing, the recommendation was to broaden the use to include transit operations and infrastructure.

We have not seen any bill language for these recommendations. However, as we learn more we will continue to provide you updates.

Background:

NDRC model

The model would index the fuel tax according to the producer price index and the total consumption of fuel.

Alternative fuel vehicles, including electric vehicles, would pay a fee based on the fuel tax for that year multiplied by a fraction based on the fuel efficiency of the vehicle and then multiplied by the annual miles driven by the vehicle.

Utah model

The State of Utah implemented a Road Usage Charge (RUC) program on January 1, 2020. Users can choose to either pay the flat annual fee or can opt to pay the RUC of \$0.015 per mile.

The amount that would be owed under the RUC is capped at the amount of the flat fee. For calendar year 2020, the RUC rates are as follows; electric vehicles (\$90), plug-in hybrids (\$39), and gas hybrids (\$15).

Under this program, the total cost to operate a vehicle per year (including RUCs) continues to favor alternative fuel vehicles.



At the RTC, we have been working on potential long term funding solutions.

1. In 2017, the NV Legislature gave us enabling legislation to go to the vote of the people to ask for a sales tax increase before December 2024.
 - Due to the recent increase in sales tax for education and the pandemic, 2020 was not ideal, but we can explore it for 2022 or 2024.
2. Thanks to the local jurisdictions, the RTC was able to secure up to an additional \$25M through Q10 funds starting in FY22.
3. Due to our current financial situation, we are closely monitoring the 2021 session to see if there are any opportunities to fund transit.
4. There have been conversations about a long term funding model with stakeholders and the NV Legislature. Actions are still pending, but there may be opportunities for transit funding in the future.



Item #7

UPCOMING EVENTS AND ANNOUNCEMENTS



Item #8

OPEN DISCUSSION



Item #9

FINAL CITIZENS PARTICIPATION



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