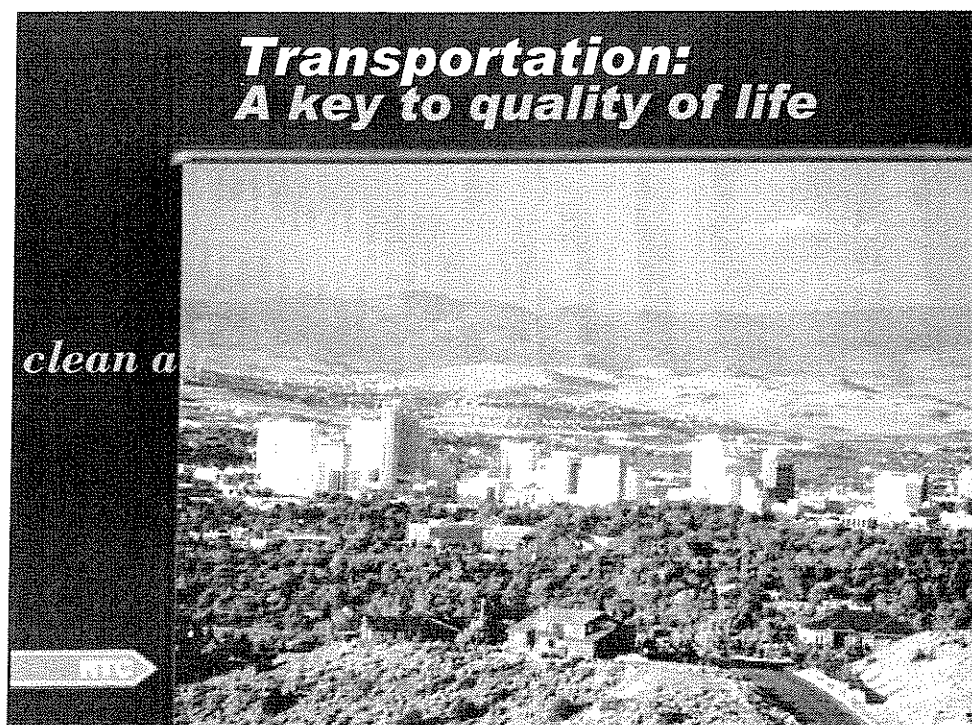
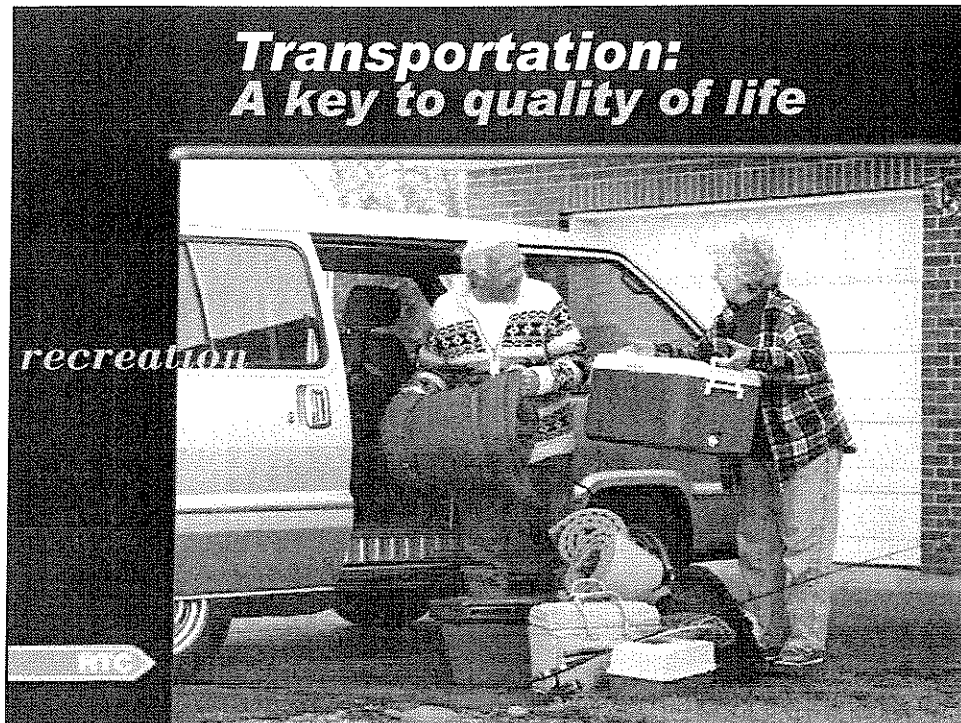
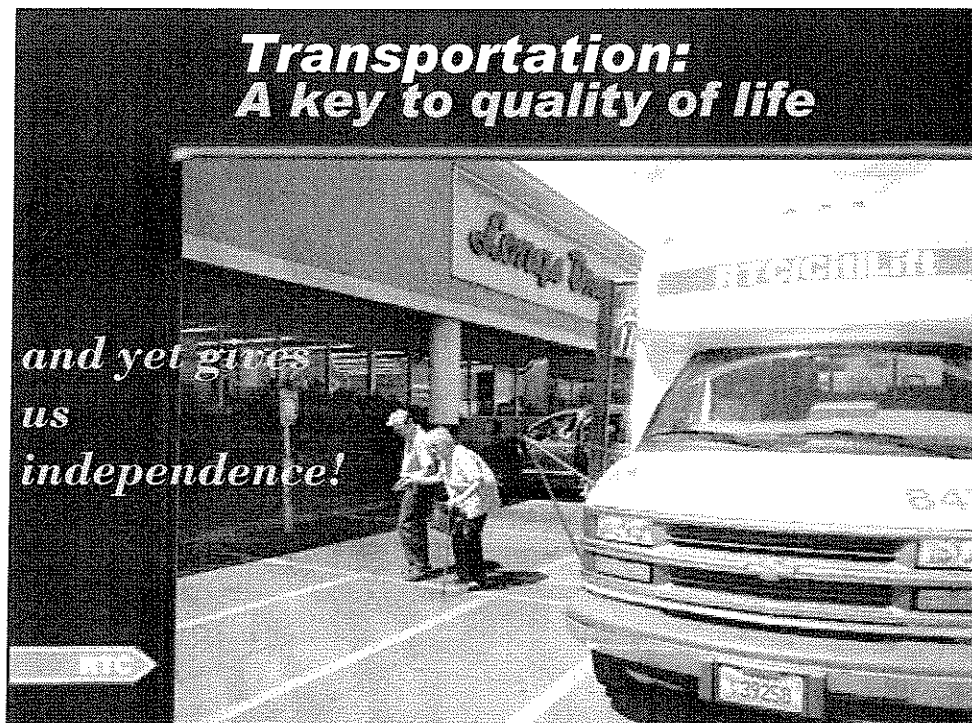
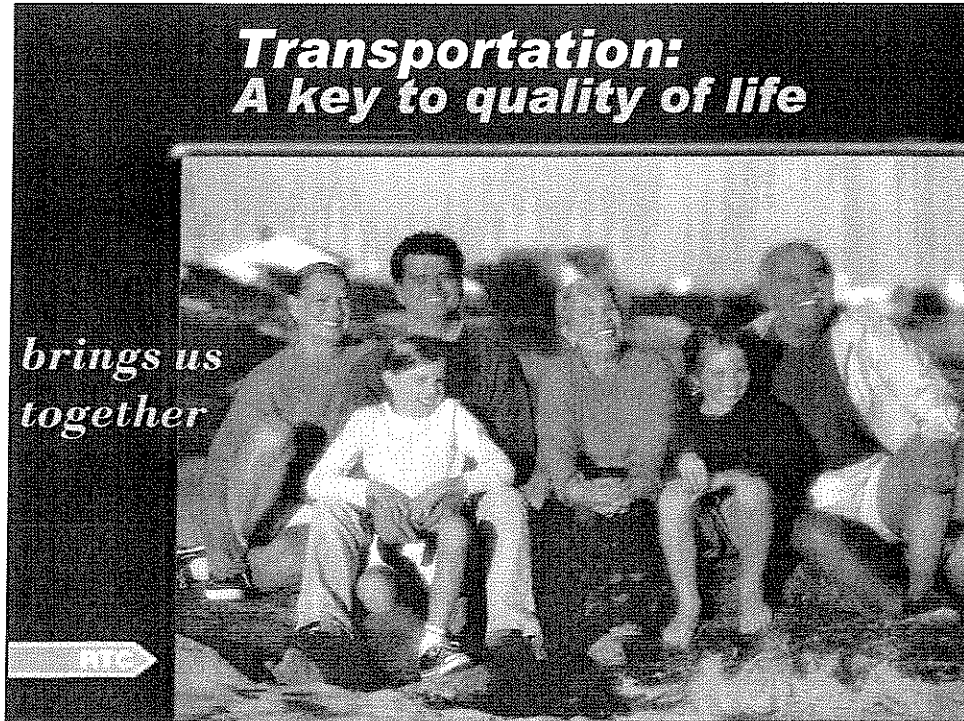
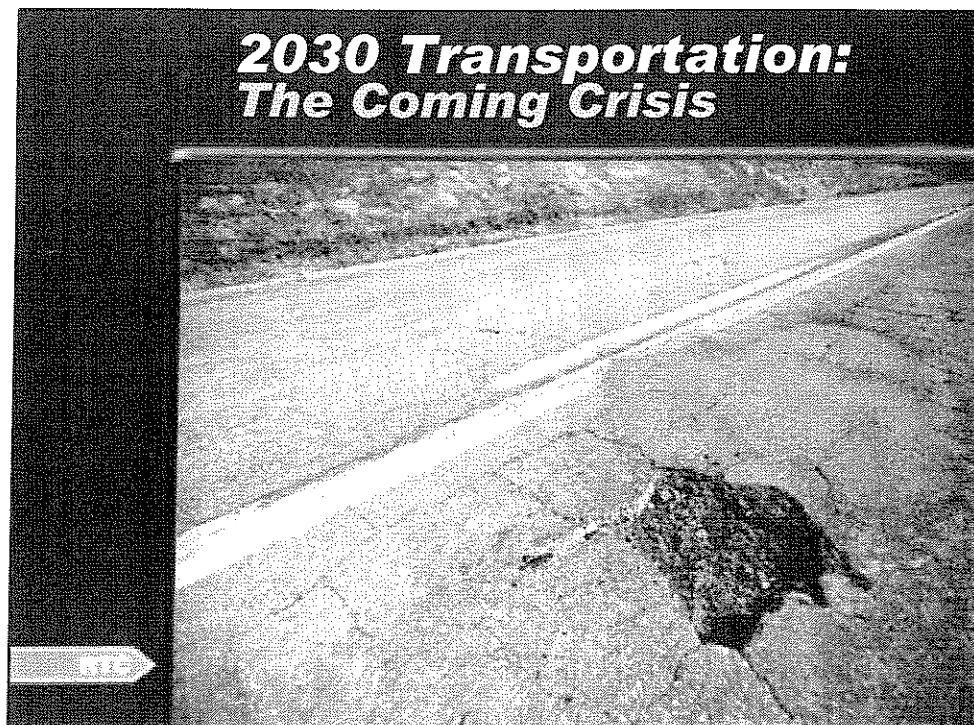
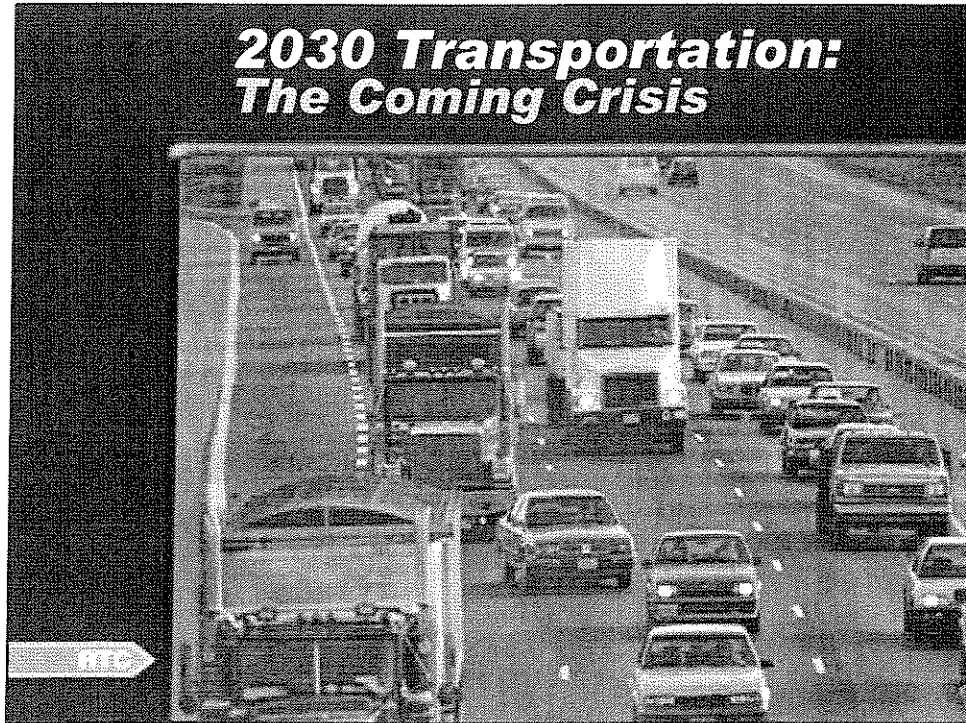


EXHIBIT E Committee on Taxation

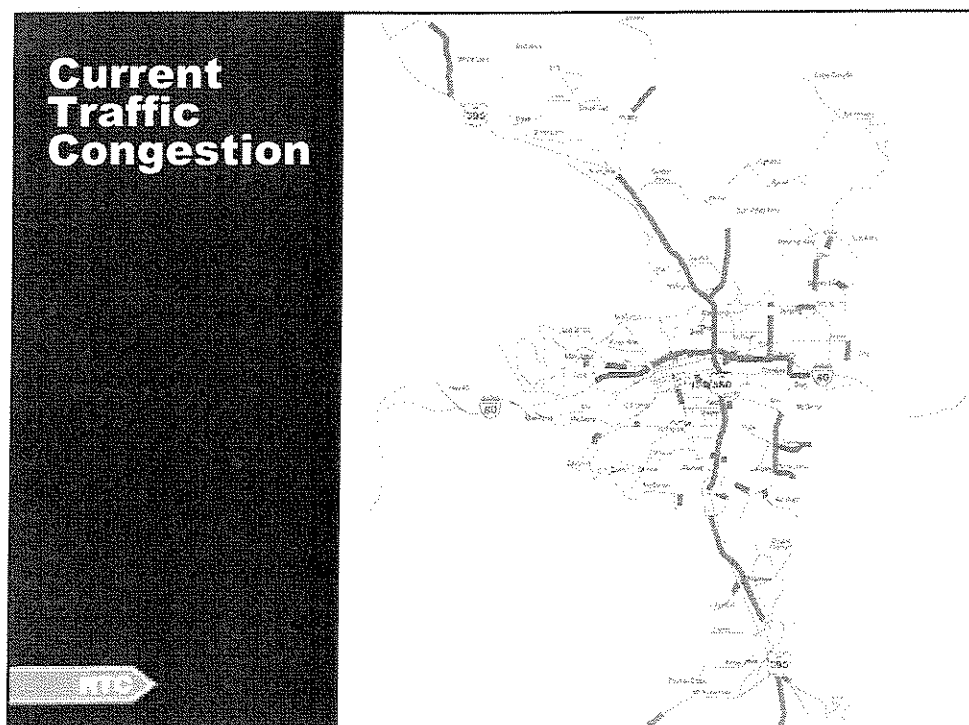
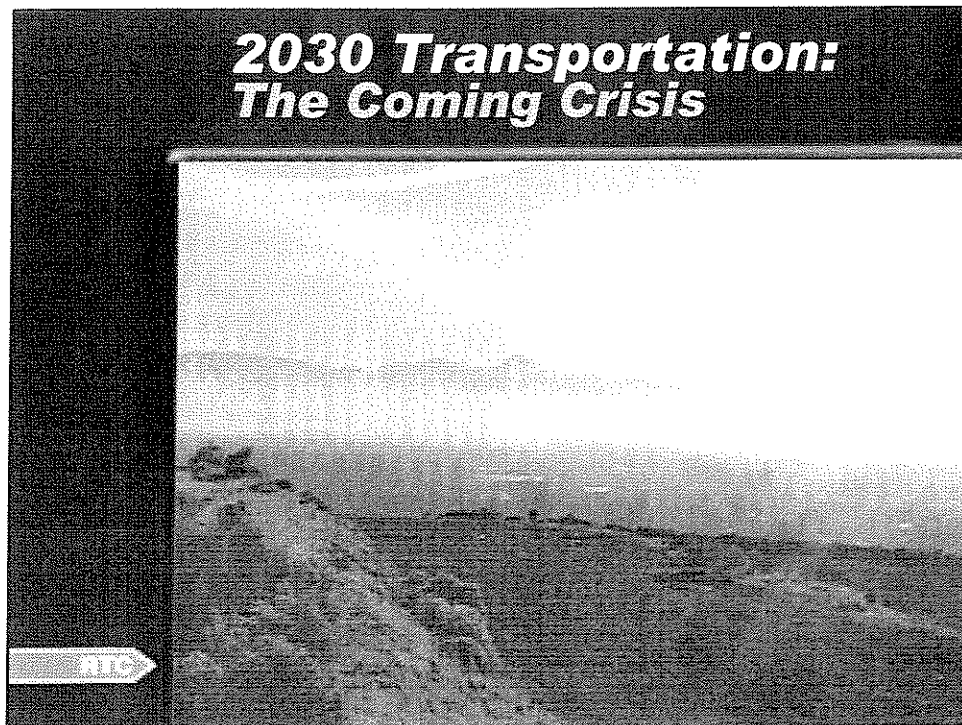
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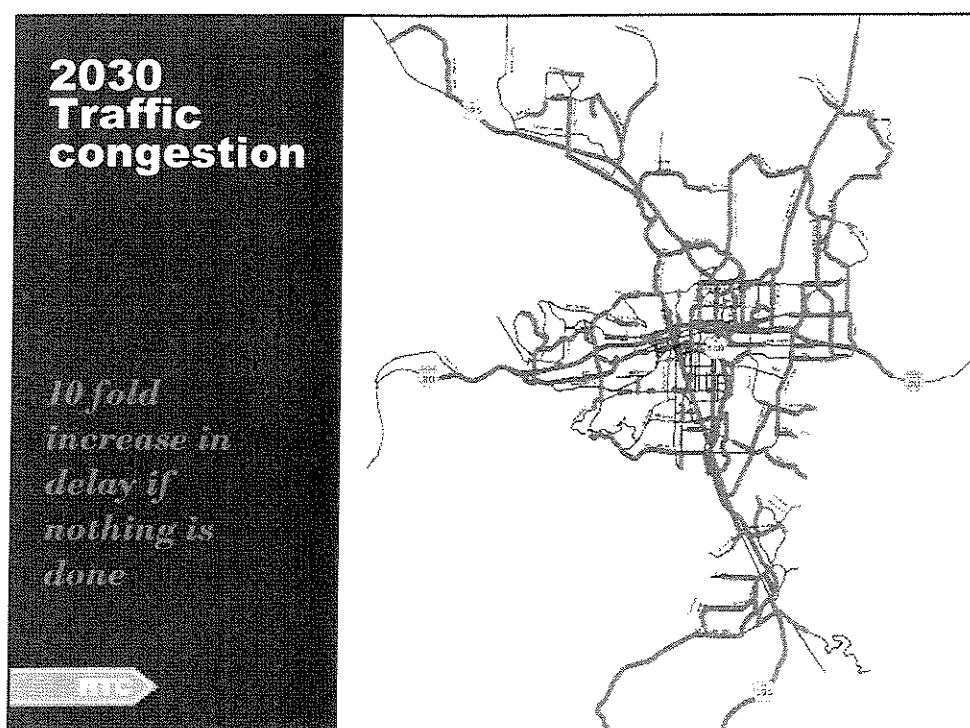
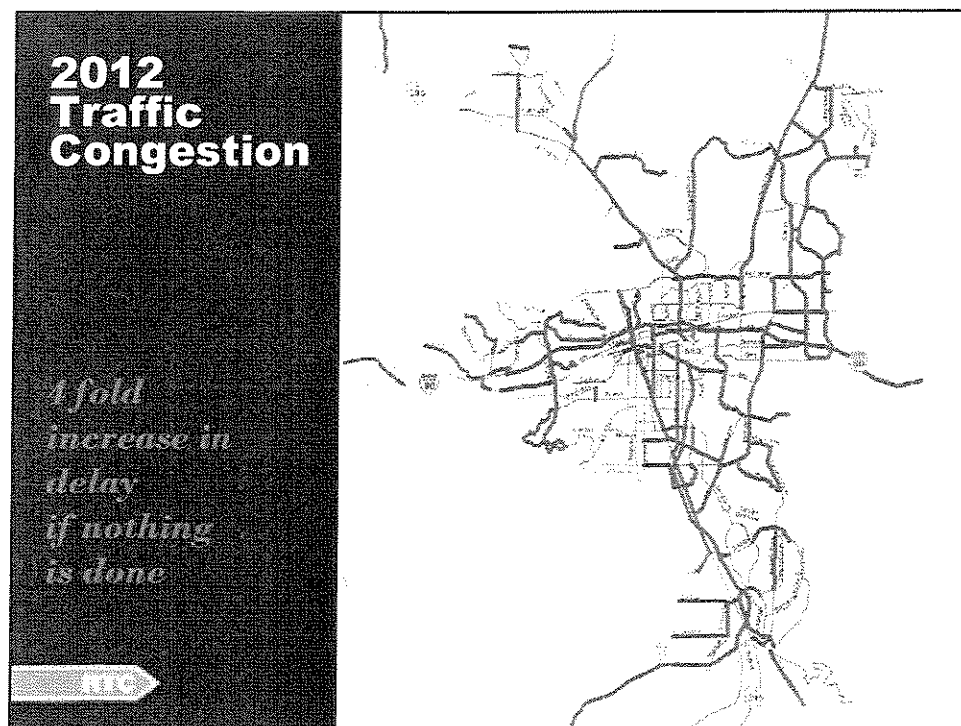




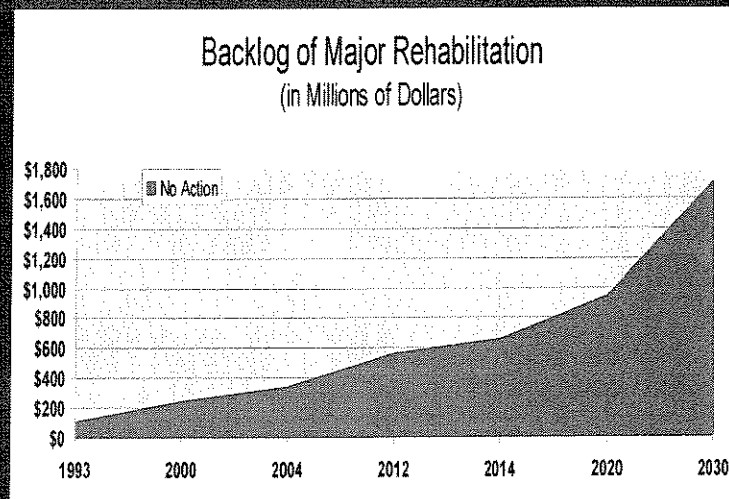








## Declining road condition

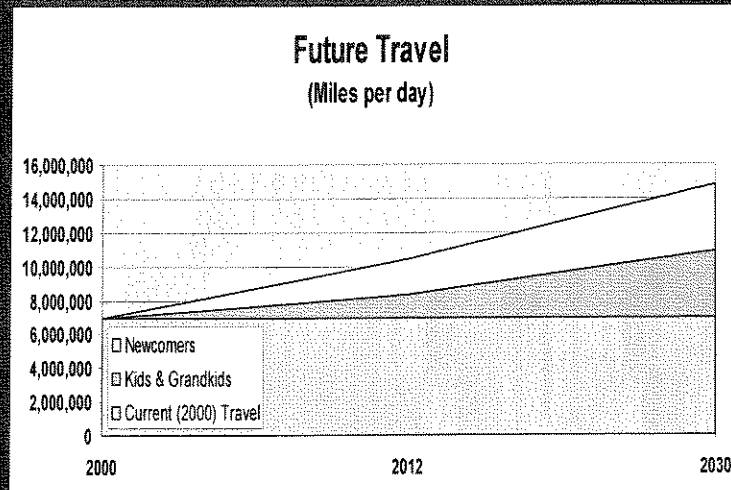


## Declining transit service

*Citifare service, per capita, is down 33% in the last 10 years*



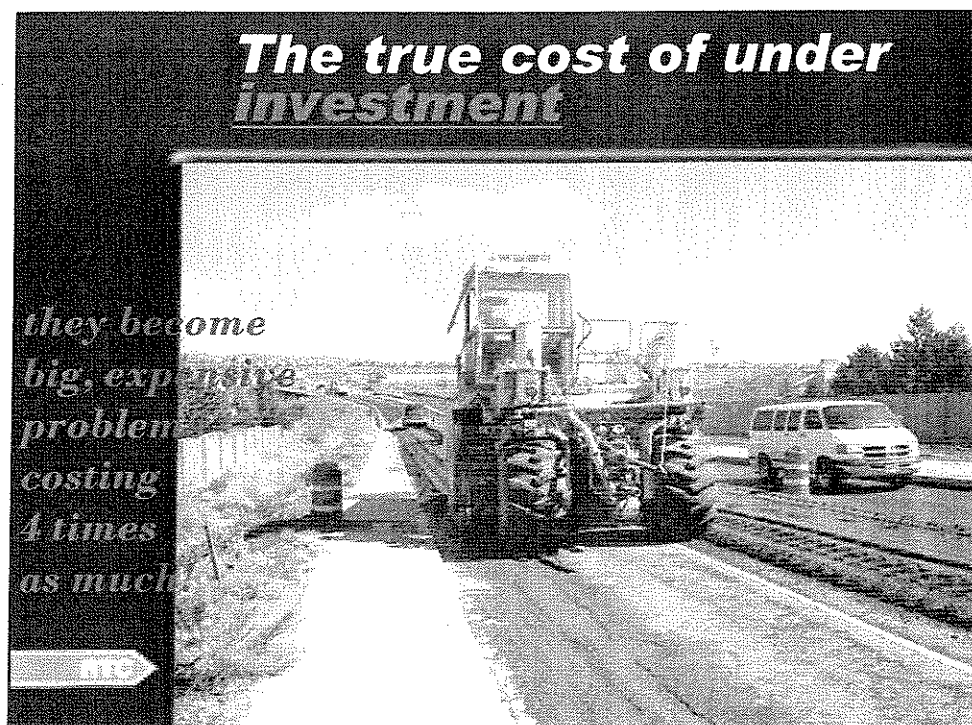
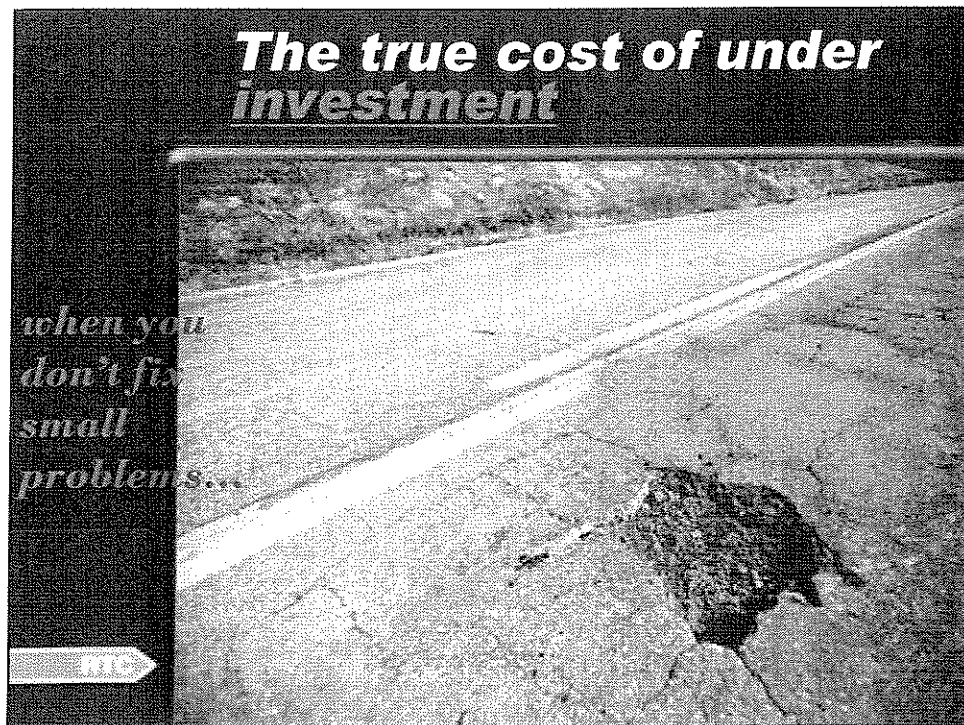
## More driving



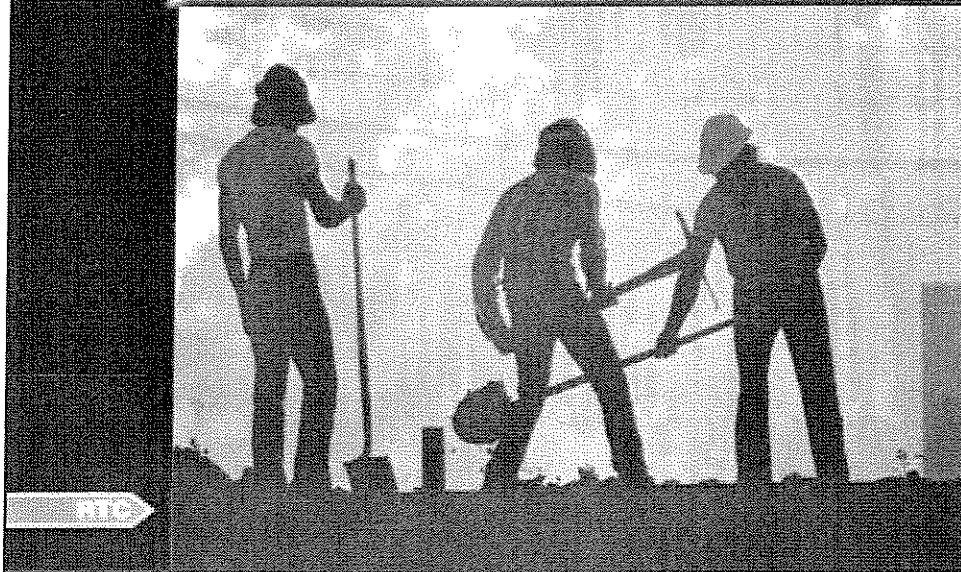
## Declining buying power of fuel taxes

- For each mile driven, we collect 44% less today than in 1955 due to inflation
- When improved fuel economy is taken into account, we collect 65% less today





## ***What needs to be done?***



## ***2030 Regional Transportation Plan***

### ***Blueprint for our transportation future:***

- 30-month effort
- Representatives from every CAB and NAB
- Thousands of citizens took part
- Balanced approach to maintain our quality of life

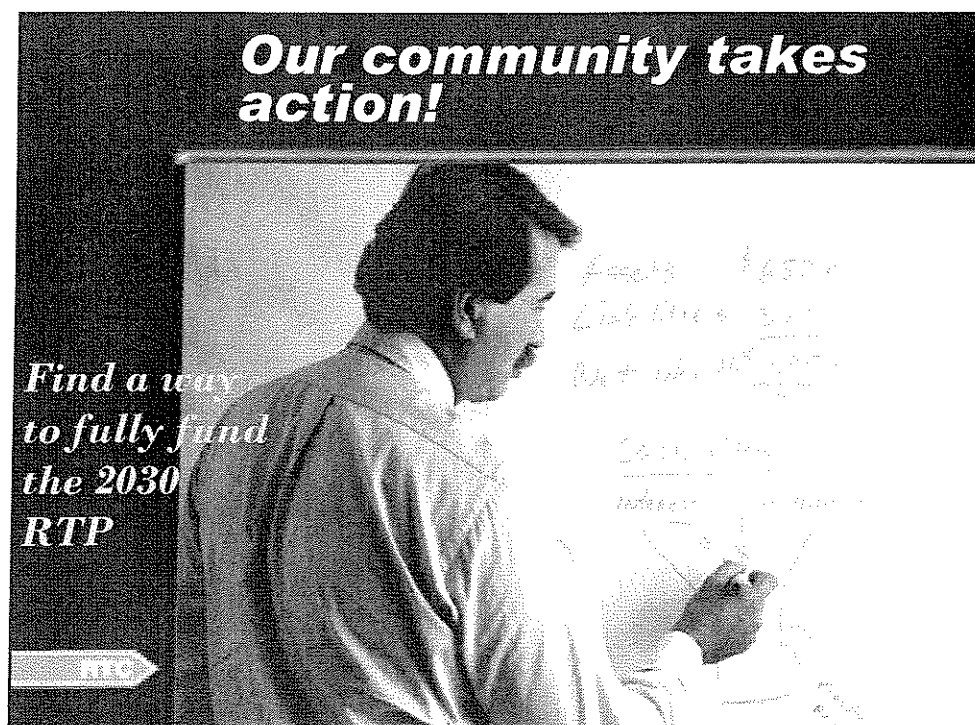
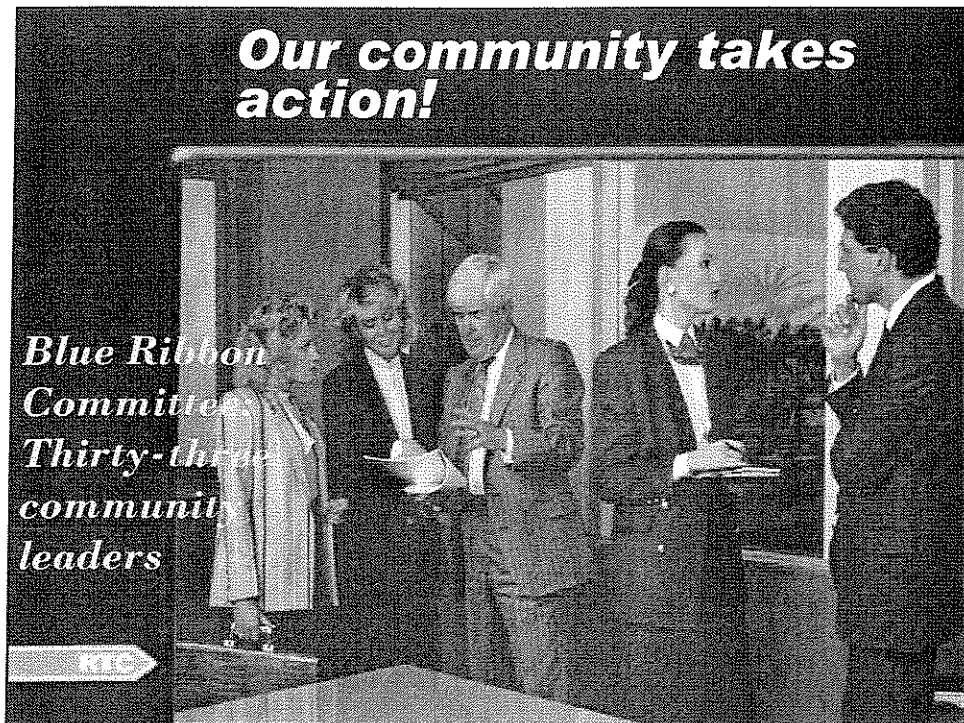
## **2030 Regional Transportation Plan**

### **Key actions:**

- Improve maintenance to protect our investment
- Build new and widen key roads
- Expand transit/paratransit
- Add pedestrian and bike facilities

## **Transportation finances thru 2030**

Needed Investments	\$5.4 billion
Existing resources	\$4.6 billion
Projected shortfall	\$800 million



## Our community takes action!

### *The Blue Ribbon Committee solution:*

- Index developer impact fees to inflation
- Index local fuel tax to inflation
- Add 1/8 penny per dollar sales tax for public transit and roads
- Continue efficiency improvements

1115

## Our community takes action!

### *The Blue Ribbon Committee solution:*

- Index road impact fees      \$ 20 million
  - Index local fuel taxes
    - 
    -
  - 1/8 cent sales tax              \$282 million
  - Efficiency                        \$ 50 million
- Total:              \$794 million

1115



# Ballot Advisory Question WC-2

*WC-2 asked the voters if the RTC should seek the funding proposed in the Blue Ribbon Committee solution...*

BETTER ROADS EXPANDED TRANSIT CLEANER AIR

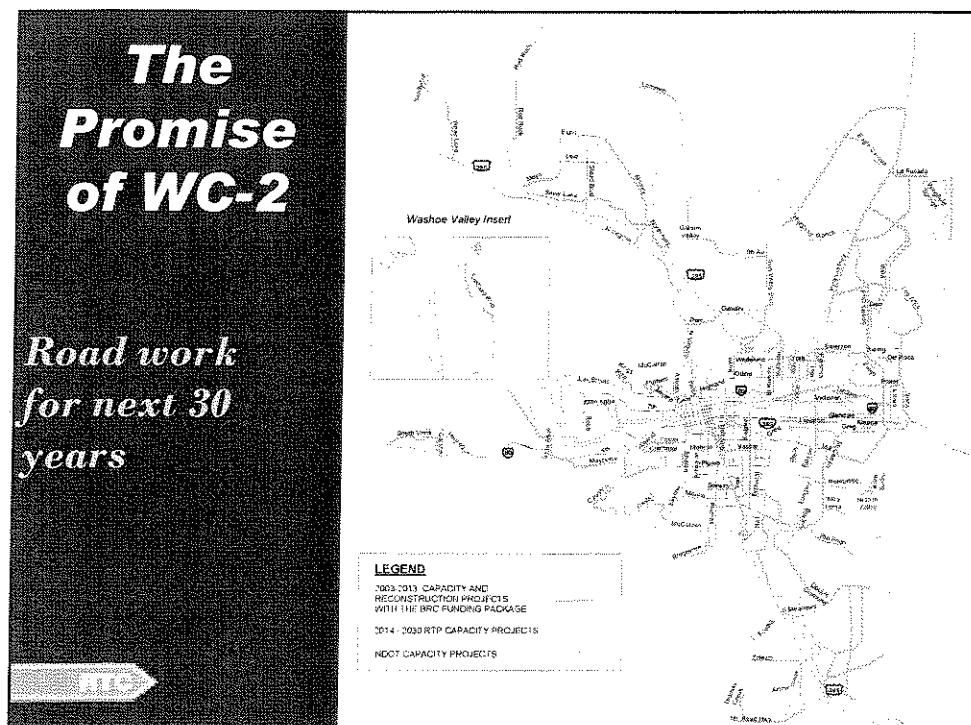
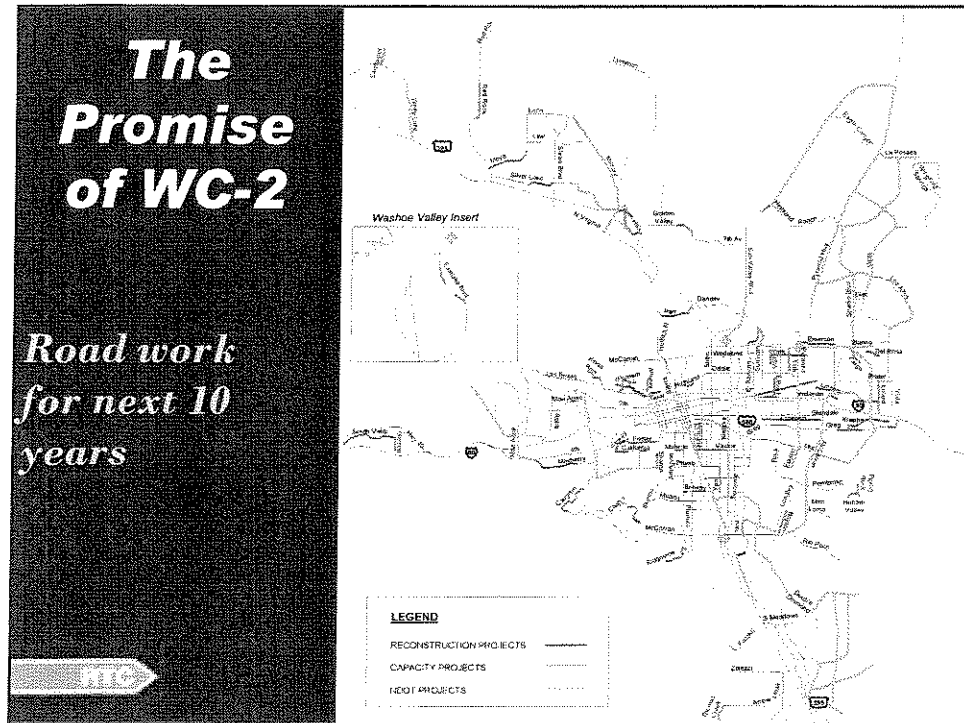
**It's your future.**  
**IT'S YOUR CHOICE.**

rtc

# Washoe County voters speak!

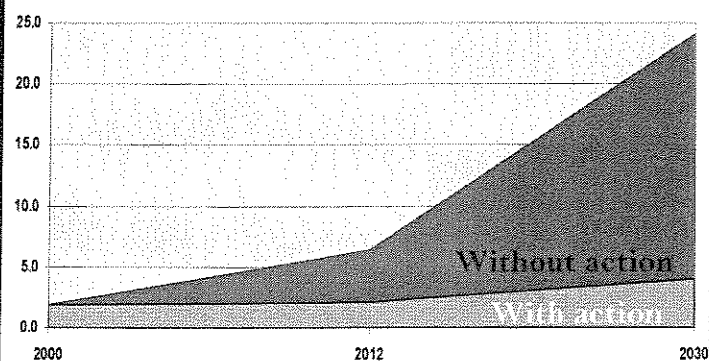
**WC-2**  
57.4% of the voters said **"YES"**

rtc



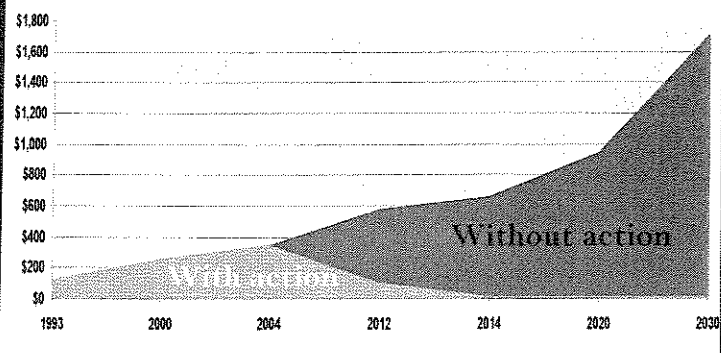
## ***The Promise of WC-2***

Average Daily Delay, Minutes per Person



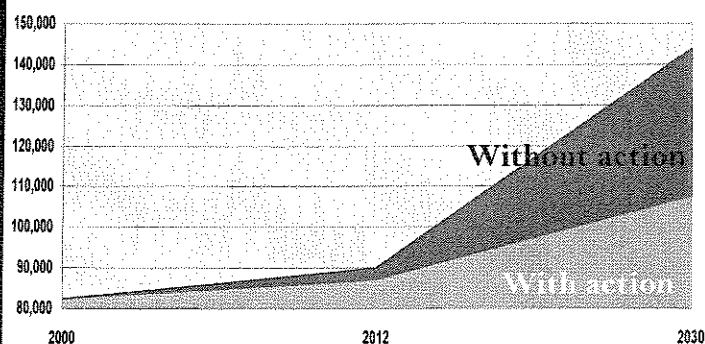
## ***The Promise of WC-2***

Backlog of Major Road Repair  
(in Millions of Dollars)



## ***The Promise of WC-2***

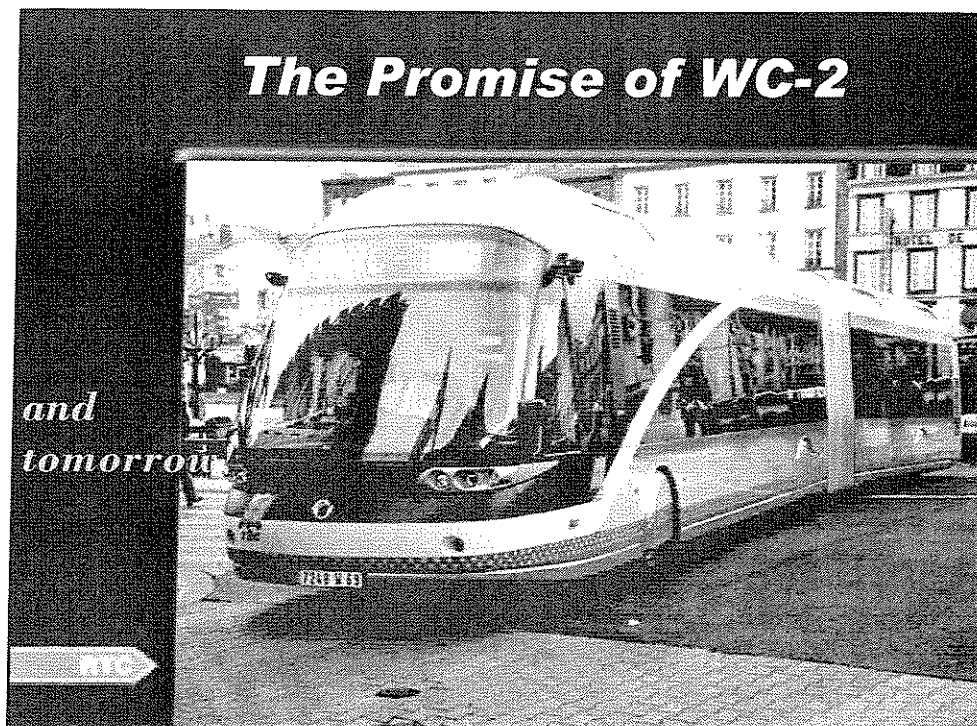
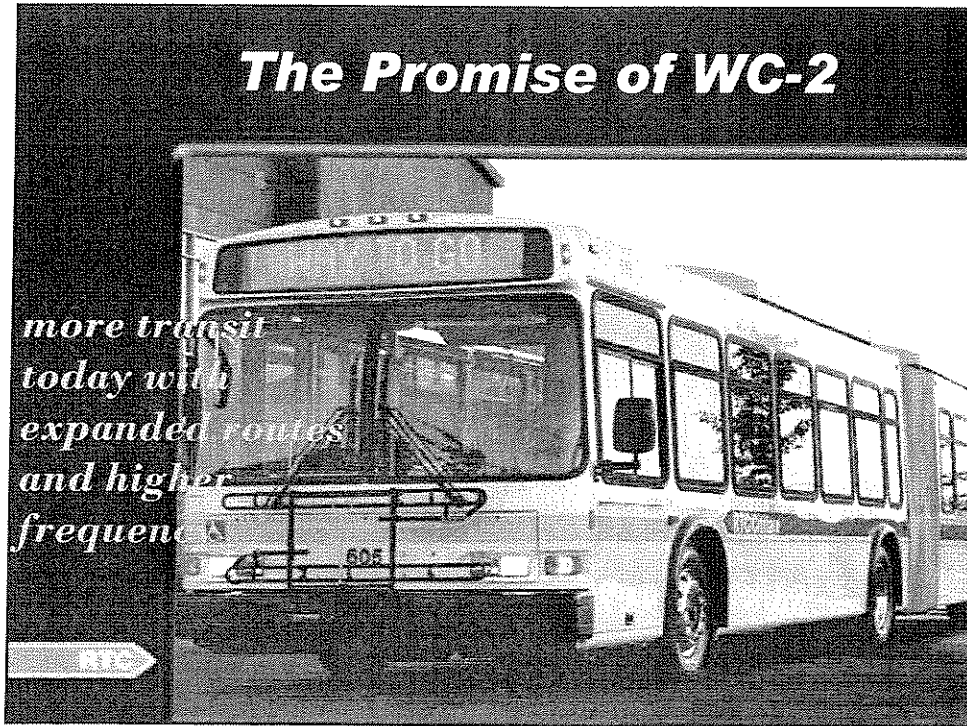
Carbon Monoxide Emissions  
(Kilograms per Day)



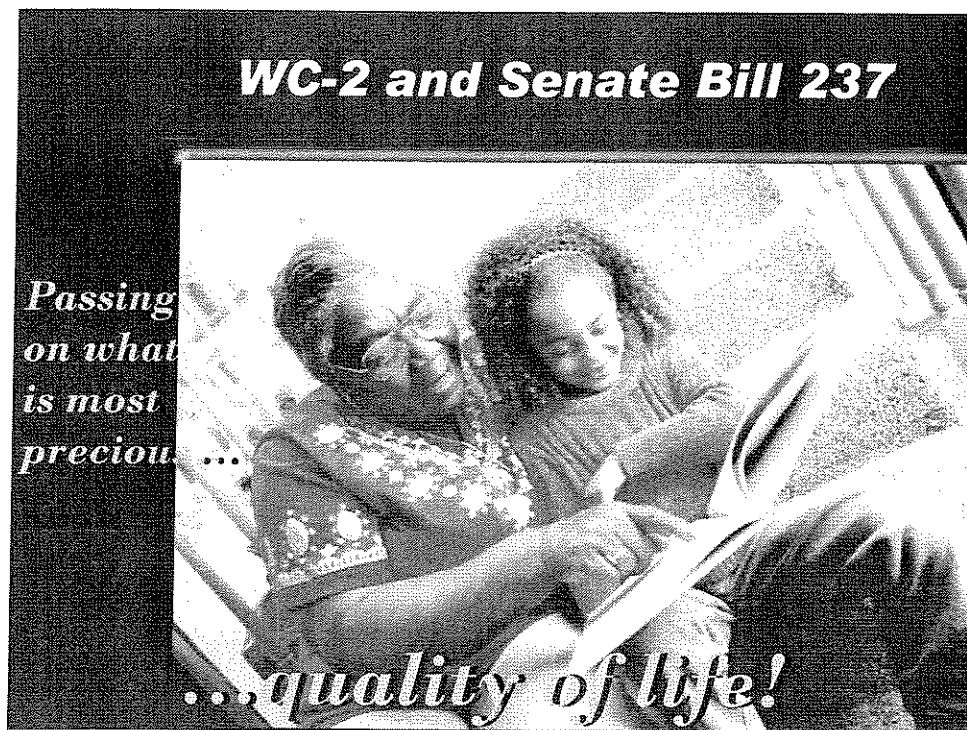
## ***The Promise of WC-2***

*more  
paratransit  
service*









# REGIONAL TRANSPORTATION COMMISSION

Washoe County, Nevada

## Governance

The Regional Transportation Commission (RTC) was created in 1978 through an interlocal cooperative agreement in recognition that effective and efficient transportation is best served through a regional approach. The RTC has responsibility for Public Transportation Services, Regional Streets and Highways and is the Metropolitan Planning Organization for Washoe County. The RTC is a cooperative regional board comprised of five representatives appointed from its three government jurisdictions: two from the Reno City Council, two from the Washoe County Board of Commissioners and one from the Sparks City Council. Board members serve two-year terms.

The Commission establishes administrative and operational policy. RTC policies are implemented by a professional, technical and administrative staff of 92, under the direction of an appointed executive director.

## Public Transportation Services

RTC provides fixed route bus and paratransit service in Washoe County, Nevada. Funding for Citifare and CitiLift service is derived primarily from local sales tax revenues, fare box charges and Citifare transit advertising revenues. In addition, RTC receives federal funds for capital projects such as vehicles, equipment, and facilities.

### RTC/Citifare

Citifare is RTC's public transit service for the greater Reno/Sparks community. Citifare service began 25 years ago. Today, the system provides reliable, cost effective transportation in the cities of Reno and Sparks and areas of Washoe County using a fleet of 65 buses on 27 routes, covering approximately 69 square miles. In 2002, more than 8.2 million rides were taken on Citifare.

- **RTC/Citifare is efficient and fiscally responsible.** Compared to a group of 10 similar sized systems, Citifare ranked number one in lowest cost per passenger, and number two in both productivity-averaging 32.7 passengers per service hour-and in rides taken per capita\*
- **RTC/Citifare is nationally respected.** Citifare has consistently ranked in the top 25 systems nationwide\* for the last decade, regardless of size
- **RTC/Citifare drivers are nationally recognized.** Since 1995, Citifare has won five national safety awards from the American Public Transit Association, earning the highest award twice
- **RTC/Citifare is planning for the future.** Future enhancements along busy corridors include Bus Rapid Transit (BRT), which combines efficient fare collection, high-tech vehicles, dedicated lanes, modern stations, extended green lights at intersections and more frequent service. BRT looks and operates like light rail but at a considerably lower cost.

### RTC/CitiLift

CitiLift is the RTC's Americans with Disabilities Act (ADA) complementary paratransit service. CitiLift is often the only transportation for people whose disabilities prevent them from driving or using Citifare transit buses. The FY 2003 fully allocated cost to provide a CitiLift ride is \$16.50; the CitiLift fare is \$1.50. The difference in cost is subsidized from local sales taxes, Medicaid reimbursements and funds from Federal Transit Administration 5307 Grants.

- **CitiLift is always on the road.** CitiLift operates 24 hours a day, 365 days a year throughout its 246 square-mile service area
- **CitiLift customers are satisfied.** Ninety percent of customers rated CitiLift service as good or excellent in a recent customer satisfaction survey\*
- **CitiLift is a vital link for passengers.** In FY 2002, CitiLift provided over 235,000 rides. Approximately 4,000 people are registered to ride CitiLift. Of those, 74% are 60 years and older and almost 90% have annual household incomes below \$20,000.
- **CitiCare Foundation.** CitiCare is a nonprofit organization established to seek additional sources of funding by partnering with the private sector. CitiCare resources will help bridge the gap between the transportation needs of people with mental and physical disabilities and senior citizens and the resources currently available. Technical assistance and administration is provided by the RTC.

U.S. Transit Study, University of North Carolina, Charlotte, 1998

\*The Paratransit Service Plan Study, Crain & Associates, 2000

**Regional Transportation Commission**

## Other Transit Services

- **PRIDE (Public Rural Ride).** Funded through a cooperative agreement with Nevada Department of Transportation and RTC, PRIDE is an inter-city service between Reno and Carson City that runs six days a week.
- **Tahoe Area Regional Transit (TART).** RTC provides funding for the portion of public transit services at Lake Tahoe that run in Washoe County.

## Streets and Highways

In construction year 2003, the Regional Transportation Commission will invest \$51.5 million dollars in the transportation network of Reno, Sparks and Washoe County. This investment seeks to maintain and improve the regional roads network for the needs of today and the challenges of tomorrow.

Since 1994, the RTC has used \$104 million of its fuel tax revenue to design and construct 94 rehabilitation and reconstruction projects that improved over 220 lane miles of regional roads in Reno, Sparks and Washoe County. With regional road impact fee revenue (RRIF), an investment of over \$97 million has been made by the RTC on 66 projects since 1995. Partnering with the Nevada Department of Transportation, RTC has leveraged a combined investment of \$88 million of federal highway trust funds for design and/or construction of six projects.

Year after year, RTC's Street and Highway program has been brought in on time and under budget. Receiving consistently high marks from customer satisfaction surveys, RTC's roadwork has been highly successful, cost effective, efficient, and productive in producing outstanding transportation improvements in the Truckee Meadows.

RTC maximizes the value of taxpayers' dollars by using the most efficient methods and effective technologies available. Some of the ways RTC does this include:

- **Materials design** that meets rigid specifications for road surface longevity and regional climatic conditions, and leading edge research into new asphalt pavement materials using the Super Pave technology
- **Conservation** by the recycling or chemical treatment of existing materials to produce lower cost, durable pavements
- **Innovative intersection design** to alleviate congestion, keeping new road building at a minimum

## Metropolitan Planning Organization

The RTC as the Metropolitan Planning Organization (MPO) for ground transportation in the Truckee Meadows uses a cooperative strategy inclusive of all local and state governments. RTC coordinates, plans and executes Washoe County's transportation projects to serve the present and future. As the MPO, the RTC:

- **Designs and implements the short- and long-range** regional transportation plans for Washoe County
- **Acquires federal, state and local** funding for major regional transportation projects
- **Coordinates with local jurisdictions** to identify traffic impacts from current and proposed residential and commercial development and define measures to relieve congestion
- **Creates traffic projections** to anticipate and respond to future regional growth
- **Recommends, implements and monitors** new technologies for transit programs

### Regional Transportation Commission

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John R. Mayer, Vice Chairman

James M. Shaw, Commissioner

Dwight Dortch, Commissioner

David E. Humke, Commissioner

Gregory H. Krause, Executive Director  
Derek W. Morse, P.E., Deputy Executive Director  
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Thomas R. Taelour, Chief Financial Officer  
Robert J. Russell, P.E., Director of Engineering  
Nancy J. Pearl, Director of Marketing and Communications  
Bijan Yarjani, PhD Director of Transportation Planning  
David Jickling, Director of Public Transportation

# Regional Transportation Commission

# HIGHLIGHTS OF WC-2 BALLOT ADVISORY QUESTION AND SENATE BILL 237

The RTC's 2030 Regional Transportation Plan (RTP) is a blueprint for the transportation system that will help preserve the outstanding quality of life in the Truckee Meadows. A Blue Ribbon Committee of 33 community leaders was tasked with devising a funding package to cover the shortfall between the cost of the 2030 RTP and existing revenues. This package was put before Washoe County voters as Question WC-2 in November 2002 and approved by a 57% majority. **SB 237 will enable the following funding measures approved by the voters with WC-2 to be implemented in Washoe County:**

## **Index (adjust) developer road impact fees to inflation**

- \*Amends NRS 278B
- \*Allows fees to be automatically adjusted based upon CPI between triennial recalculation
- \*Adjustments capped at +/- 4.5% in any one 12 month period
- \*Recovers loss in purchasing power due to inflation
- \*Insures that development continues to pay its fair share
- \*Action by local governments required to implement
- \*Generates an estimated \$20 million through the year 2030

## **Index (adjust) local motor vehicle fuel taxes to inflation**

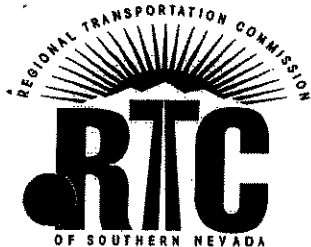
- \*Amends NRS 365 and 373
- \*Allows tax rates to be automatically adjusted each year based upon CPI
- \*Adjustments capped at +/- 4.5% in any year
- \*Recovers loss in purchasing power due to inflation
- \*Early year increases less than ½ penny annually at current inflation rates
- \*Action by County Commission required to implement
- \*Raises \$442 million thru 2030; \$183 million for local governments, \$259 million for RTC

## **Increase the transportation sales tax by 1/8%**

- \*Tax already authorized in NRS 377A
- \*Affirms that WC-2 satisfies NRS 377A requirement for a vote by the people
- \*Proceeds split 50/50 between public transit and roads
- \*Action by County Commission required to implement
- \*Generates \$282 million thru 2030

**Regional Transportation Commission**

of Washoe County



## **TRANSPORTATION IN SOUTHERN NEVADA**

### **Question 10 Fair Share Funding Program and SB 237**

#### **Current Situation & Citizen Recommendations**

- As a result of a 14 month community coalition effort the Regional Transportation Commission of Southern Nevada advanced the following recommendations to the public as the 2002 Fair Share Funding Program:
  - ✓ \$2.7 billion of transportation projects including adding 425 high speed lane miles of roads, additional mass transit vehicles and routes, 70 miles of Intelligent Transportation Systems and better traffic signal synchronization
  - ✓ A 2002 Fair Share Funding Program to pay for the projects
  - ✓ Capital sources sunset after financing goals achieved
  - ✓ The local traffic signal system (LVACTS) report to the RTC
  - ✓ 2002 Fair Share Funding Program be part of the November 2002 ballot as an advisory question

#### **Voter Mandate: Asking Legislature to allow Clark County to implement funded measures**

- Voters approved the 2002 Fair Share Funding Program advisory question, called Question 10, with a 53.2 percent majority on November 5, 2002 asking for enabling legislation to allow Clark County to raise revenue for the program by implementing the following:

#### **Financing the Transportation Facilities**

- **DEVELOPMENT TAX:** Increased taxes or fees on developers of new construction (Additional \$150 per residential unit, additional 15 cents per square foot of commercial and resort development in 2003 and cost of living increases every 5 years to result in total tax by 2025 of \$1000 per residential unit and \$1.00 per square foot commercial) – will generate \$125 million in 25 years
- **JET AVIATION FUEL TAX:** Additional 1 cent per gallon – will generate \$128 million in 25 years
- **RETAIL SALES TAX (1/4-cent):** Half of the proposed sales tax increase, or 1/8 of a cent, will sunset June 30, 2028 or when \$1.7 billion is generated, whichever comes first – will generate \$1.9 billion in 25 years.
- **REDIRECTION OF EXISTING CAPITAL PROJECTS TAX:** Two of the existing five cents assessed per \$100 assessed valuation will be earmarked and used strictly for transportation. This is not a new tax; current five cents are paying bond debt that will be paid off next year – will generate \$295 million in 25 years.

Based on historical precedent additional revenue would be generated from gaining a significantly greater share of state and federal transportation funds allocated by the State of Nevada Transportation board for Clark County projects.



WC-2  
Transportation Funding  
(Advisory Question)

**FUNDING FOR THE TRUCKEE MEADOWS 2030  
REGIONAL TRANSPORTATION PLAN**

Shall the Washoe County Board of Commissioners seek state legislation for the Regional Transportation Commission (RTC) to obtain necessary additional funding for transportation projects that will reduce traffic congestion, improve air quality, repair and maintain roads, and increase public transportation in the Truckee Meadows?

Yes

No

Explanation

This is an advisory question only. Results may be taken to the Nevada Legislature for further action.

Regional experts predict that even with a slowdown in population growth, Washoe County will reach 500,000 residents by the year 2030. As a solution to minimize traffic congestion and maintain good air quality and safe roads, the 2030 Regional Transportation Plan (RTP) was developed to:

... Maintain and repair existing and future streets and highways

... Expand streets and highways

... Improve and expand public transportation

To pay for the plan, a funding package is proposed that spreads the responsibility among developers, users of roads and gasoline, residents, and tourists. The Regional Transportation Commission may ask the state legislature to:

... Adjust the Regional Road Impact Fee on developers to be tied to the rate of inflation

... Adjust the fuel tax to be tied to the rate of inflation

... Increase the sales tax by 1/8 of a penny per dollar

In addition, a portion of the revenue generated through these measures will serve as matching funds for millions of dollars in federal and state grants for transportation.

A "yes" vote would advise the Nevada Legislature that you approve of the recommendation to index the Regional Road Impact Fee and the fuel tax to the rate of inflation, and to increase the Washoe County sales tax by 1/8 of a penny per dollar to fund the 2030 Regional Transportation Plan.

A "no" vote would advise the Nevada Legislature that you do not approve of the recommendation to index the Regional Road Impact Fee and the fuel tax to the rate of inflation, and to increase the Washoe County sales tax by 1/8 of a penny per dollar to fund the 2030 Regional Transportation Plan.

## WC-2: ARGUMENT IN FAVOR

A YES vote is necessary to maintain our quality of life: good jobs, great recreation, clean air, and short, safe commutes. Travel in the Truckee Meadows doubled in the last 20 years to nearly 3 billion miles annually and will double again by 2030. New residents added to this increase but most is due to our kids starting families and all of us driving farther and more often.

What will it cost? Less than \$2.50 per month, about the cost of a hamburger, and much less than the estimated \$375 dollars each driver is wasting annually driving on roads that need repair.

Without this additional funding to match Federal and State grants, we may lose millions of dollars to Las Vegas.

With no action, it's estimated that the average daily travel delay per person will increase from 2 1/2 minutes to about 25 minutes, air quality will significantly worsen, and the physical condition of the roads will deteriorate.

Through 2030, there is an \$820 million shortfall in funding for necessary transportation improvements. This recommendation will fill the gap. A large part of this problem is because the current "flat" fuel tax does not increase with the price of gas and keep pace with inflation. Because of inflation and increased fuel economy, we collect 66% less today for each mile driven than we did in 1955. Through 2030, indexing the fuel tax will generate \$442 million. With recent inflation, indexing would increase gas prices by less than 1/2 a penny in each of the early years.

Developers currently pay transportation impact fees. With this measure, they will pay more with rising inflation.

Twenty years of under-funding repair of the small problems on our roads before they became big, expensive problems, led to a \$110 million backlog in major rehabilitation in 1990, which grew to \$242 million by 2002. If these trends continue, our kids and grandkids will inherit a \$1.6 billion backlog by 2030. With the help of inflation adjusted fuel taxes and the 1/8 penny sales tax, this backlog may be eliminated in as little as 10 years.

Whether you use it or not, public transportation plays a vital role in our community. By 2030, transit ridership is projected to double to 45,000 riders daily. Every full bus keeps 40 cars off the road, reducing congestion and giving us cleaner air. Transit is especially important to our seniors and disabled, today and in the future.

Your YES vote will help convince the legislature to give us the tools necessary to solve our problems.

## REBUTTAL TO ARGUMENT IN FAVOR OF WC-2

A "yes" vote on WC-2 would allow the RTC to seek any method for obtaining additional funding for transportation projects. A "no" vote will inform the Washoe County Board of Commissioners that the Regional Transportation Commission (RTC) must provide the public with a prudent, specific plan to vote on. A "no" vote will advise the RTC that their proposed funding package is ill-conceived and not acceptable. A "no" vote will show that the reasoning utilized in the argument for passage is nonsensical. For example, indexing a fuel tax to fuel prices is not prudent because fuel prices fluctuate up and down. Therefore, because the existing flat fuel tax is known, it is a better indicator for predicting revenue for transportation projects than a fuel tax indexed to the fluctuating rate of inflation. The RTC must be fiscally responsible and should properly manage the funds that are already generated by the flat fuel tax. Additionally, when fees are increased for developers, then the increased fees are simply passed along to the citizens. Citizens are already faced with enough inflation, taxes, and fees that lead to a higher cost of living for everyone. A "no" vote will tell the RTC that it should seek better methods to increase revenue and to properly manage the funds already generated by the flat fuel tax.

## WC-2: ARGUMENT IN OPPOSITION

A "no" vote is recommended on WC-2 so the Washoe County Board of Commissioners will not seek state legislation for the Regional Transportation Commission (RTC) to obtain additional funding for transportation projects. The RTC does not have a practical funding package to pay for the 2030 Regional Transportation Plan (RTP). A well thought-out funding package must be developed by the RTC and presented to the public before a funding package for the RTP can be implemented. Moreover, the wording of this question is too vague because the statement "necessary additional funding" is not specific enough for voters to know how the plan will be financed and what increases in fees and taxes will occur. As the question reads now, any fees could be imposed and any taxes could be raised. For example, one funding package the RTC may ask the state legislature to consider would be tied to the rate of inflation and an increase in sales tax. This is not a good plan for several reasons. First, adjusting fees and taxes to the rate of inflation is not prudent because the rate of inflation is a fluctuating number that may not generate enough revenue or may increase fees or taxes too much. Second, while an increase in the sales tax for regional transportation is legal, it may not be viewed as an equitable tax increase by all citizens. Finally government entities at local, state, and national levels are facing budget shortfalls that will require them to raise existing fees and taxes, issue new bonds, and withdraw funds from emergency reserves. Citizens do not need any additional fees or taxes. Furthermore, the claim that "a portion of the revenue generated through these measures will serve as matching funds for millions of dollars" etc...is extremely vague. The actual portion should be stated as a percentage. Furthermore, it should be clarified that "millions of dollars" is a misleading statement because that number could be only \$2 million or as much as \$999 million. Voters must have accurate information or examples of past matching funds. Again, voters must be