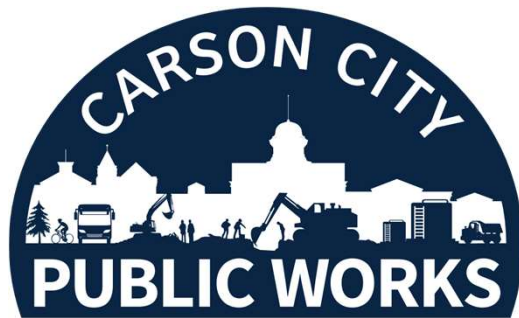

INFORMATION RELATED TO CARSON CITY ROADWAY FUNDING

CHRIS MARTINOVICH, PE – TRANSPORTATION MANAGER, CARSON CITY

SEPTEMBER 30, 2024





BACKGROUND

ROADWAY FUNDING



- Board of Supervisors retreat in 2020 started the effort.
 - Staff was tasked with evaluating the condition of roads, the funding needed to maintain and repair our roads, and the potential solutions to increase revenue for roads, especially roads classified as 'local' roads.
- Further direction provided by the Board of Supervisors including direction to investigate 4 possible funding mechanisms in 2021.
 - NRS 271 (Local Improvement Districts)
 - NRS 318 (General Improvement District- GID)
 - NRS 377A (Special Purpose Transportation Sales Tax)
 - NRS 377B (Infrastructure Sales Tax) – V&T
- Board of Supervisors approved two ballot questions in April.
- This presentation is to provide information specific to the ballot measures and their potential outcome and use.
- Project Website: www.preservecarsoncityroads.com

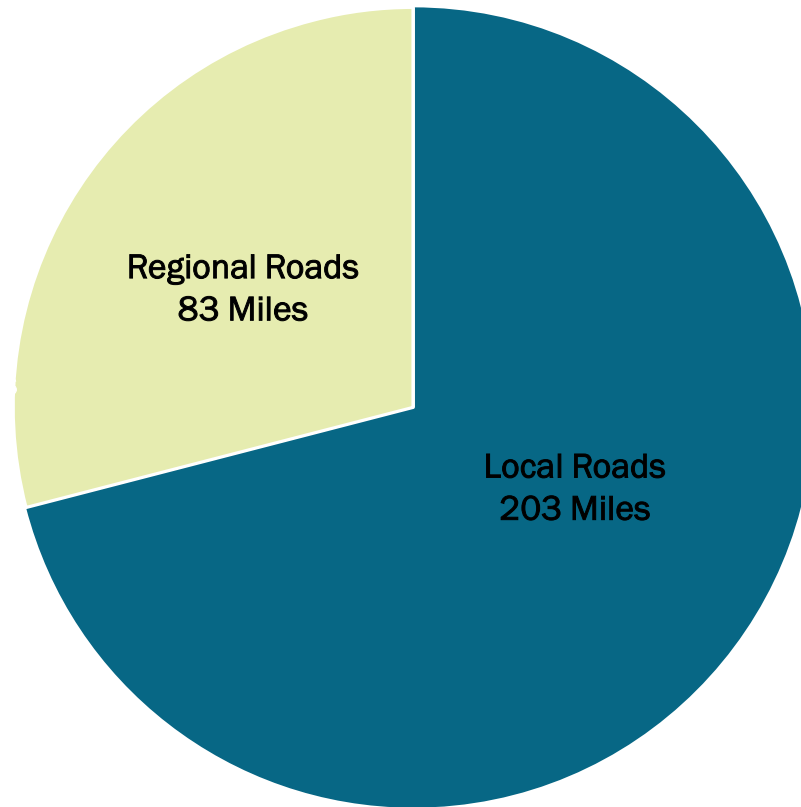


LOCAL ROAD FUNDING PROJECT: OBJECTIVES

Evaluate options related to roadway funding and ensure that the City:

- Prioritize pavement and roadway infrastructure where efficiency can be achieved.
- Provide for a diversity of funding resources for different transportation users.
- Allow for local funding to be leveraged to get additional state and federal funding.
- Ensure needs of all streets are included as options for prioritization.
- Be flexible, simple to explain, quantifiable, and easy to implement.
- Provide for transparency of revenues and expenses.

**286 PAVED CENTERLINE MILES OF ROADWAY OWNED AND MAINTAINED BY
CARSON CITY**





LOCAL ROADWAY FUNDING OPTIONS

ROADWAY FUNDING



- Board of Supervisors retreat in 2020 started the effort.
- Further input from RTC and direction from Board of Supervisors to narrow the mechanisms occurred in 2021.
- In 2022, Carson City began an educational and outreach campaign designed to educate Carson City residents about current roadway conditions, preservation solutions, funding sources, and what will happen if an investment to preserve Carson City roads is not made.
- Continued research into 2023 and 2024 on the various mechanisms.
- Project Website: www.preservecarsoncityroads.com

POSSIBLE MECHANISMS

- Several Funding Mechanisms
 - New Diesel Tax – PASSED 2022
 - Increase Gas Tax NRS 373 (Washoe and Clark County) – FAILED 2016
 - Property Tax Override
 - Local Improvement Districts NRS 271
 - General Improvement District NRS 318
 - Special Purpose Transportation Sales Tax NRS 377A
 - Infrastructure Sales Tax – V&T NRS 377B - Existing
 - Transportation Utility
 - Supplemental Government Services Tax NRS 371
 - Road User Charge
 - Parcel Delivery Fee – As part of State’s Sustainable Funding Working Group

POSSIBLE MECHANISMS

- BOS directed investigation of 4 possible funding mechanisms in 2021
 - NRS 271 (Local Improvement Districts)
 - NRS 318 (General Improvement District- GID)
 - NRS 377A (Special Purpose Transportation Sales Tax)
 - NRS 377B (Infrastructure Sales Tax) – V&T
- Supplemental Government Services Tax – NRS 371
 - Revived in early 2024 because of increased revenue potential

WHAT IS ADVANCING?

- Detailed summaries of each mechanism is documented in various reports and past presentations.
- The Board of Supervisors, at the recommendation of the Regional Transportation Commission, approved placing two ballot questions on the November 2024 ballot:
 - Special Purpose Transportation Sales Tax – NRS 377A
 - Supplemental Government Services Tax – NRS 371
- All other funding measures are currently not being considered.

Transportation Sales Tax

NRS 377A **NEW**

Up to an additional 0.25% sales tax applicable to all taxable transactions within the City specifically dedicated to roads funding

Implementation

Take to ballot in 2024 -must pass to implement

SPECIAL PURPOSES TRANSPORTATION SALES TAX

- Summary:
 - Implement an additional 0.25% sales tax on goods and services in Carson City
 - Used for the reconstruction, maintenance, and repair of local public roads in Carson City along with any required repair and replacement of roadway elements such as curb, gutter, and sidewalk.
 - To be use on roads classified as Local Roads only.
- Revenue Potential: Similar to existing 0.25% sales tax = \$4M - \$4.5M per year
- Notes:
 - Sales tax funds to be administered by the Regional Transportation Commission.
- Implementation: Voter approval is required. On the November 2024 General Election Ballot

**Supplemental
Government Service
Tax**

NRS 371 NEW

A 1% tax on new and annual vehicle registration (vehicle value depreciated with age) to pay for construction and maintenance of sidewalks and streets, collected by DMV

Implementation

Take to ballot in 2024 -must pass to implement

SUPPLEMENTAL GOVERNMENT SERVICES TAX (SGST)

- Summary:
 - A new 1% tax (\$0.01 on each \$1.00) on the value of a vehicle registered in Carson City.
 - Rate based on purchase price of vehicle and it decreases as vehicle ages using a depreciation rate. (9 years)
 - Rate is applied to 35% of the vehicle's value
 - Max SGST paid would be 1% of 35% of vehicle's value
 - Min cost is 15% of the Max, or 15% of the 1% of 35% of vehicles value

Vehicle Age	Deprecation Rate
New.....	100 percent
1 year.....	95 percent
2 years.....	85 percent
3 years.....	75 percent
4 years.....	65 percent
5 years.....	55 percent
6 years.....	45 percent
7 years.....	35 percent
8 years.....	25 percent
9 years or more.....	15 percent

New Vehicle Value = \$50,000

- Initial SGST = $(50,000) * (35%) * (100%) * (1%) = \$175 / \text{year}$
- Year 9+ SGST = $(50,000) * (35%) * (15%) * (1%) = \$26.25 / \text{year}$

Supplemental Government Service Tax

NRS 371 **NEW**

A 1% tax on new and annual vehicle registration (vehicle value depreciated with age) to pay for construction and maintenance of sidewalks and streets, collected by DMV

Implementation

Take to ballot in 2024 -must pass to implement

SUPPLEMENTAL GOVERNMENT SERVICES TAX

- Summary Cont.
 - Used for the reconstruction, maintenance, and repair of local public roads in Carson City along with any required repair and replacement of roadway elements such as curb, gutter and sidewalk.
 - To be used on roads classified as Local Roads only.
- Revenue Potential: = \$2M to \$2.5M per year
- Notes:
 - Funds to be administered by the Regional Transportation Commission
 - State of Nevada already imposes a 4% GST.
- Implementation: Voter approval is required. On the November 2024 General Election Ballot



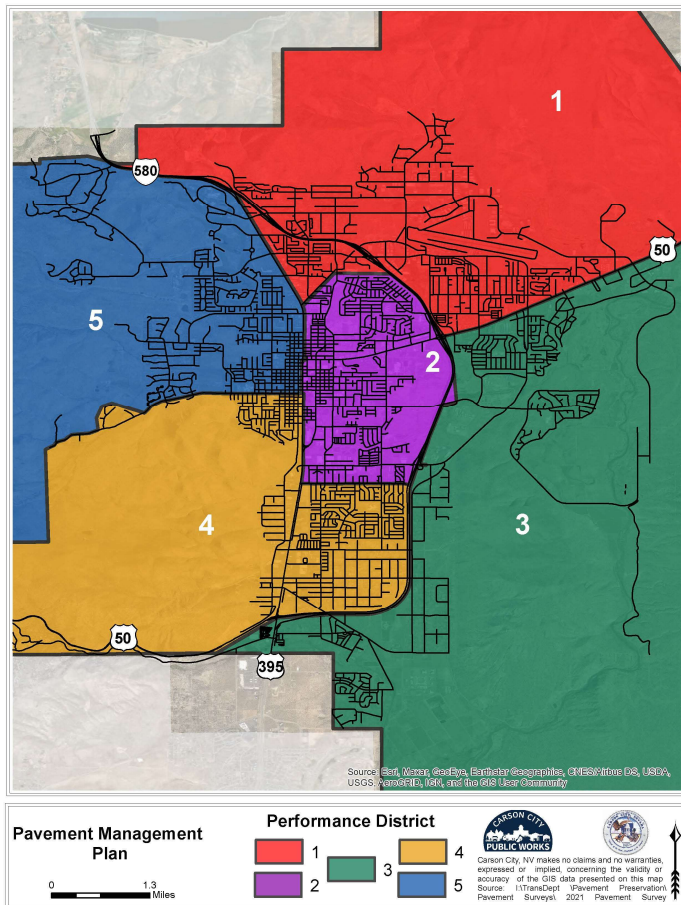
REVENUE POTENTIAL FOR LOCAL ROADS

Possible Funding Mechanism	Estimated Revenue per Year
Special Purpose Sales Tax	\$ 4.5M
Supplemental Government Services Tax	\$ 2.5M



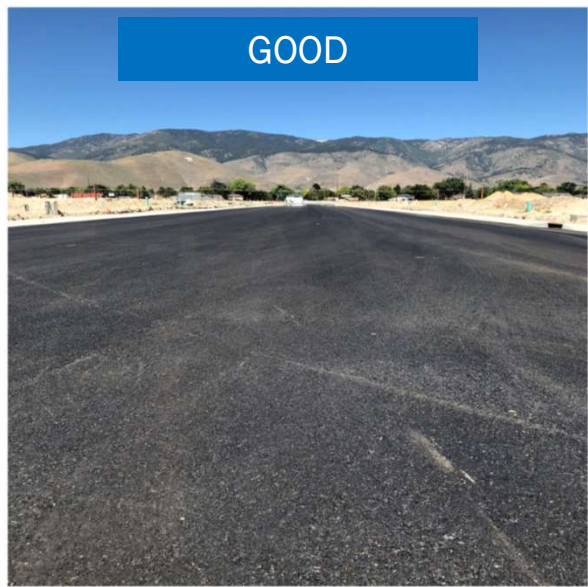
PROJECT SELECTION

PROJECT SELECTION – PAVEMENT MANAGEMENT PLAN

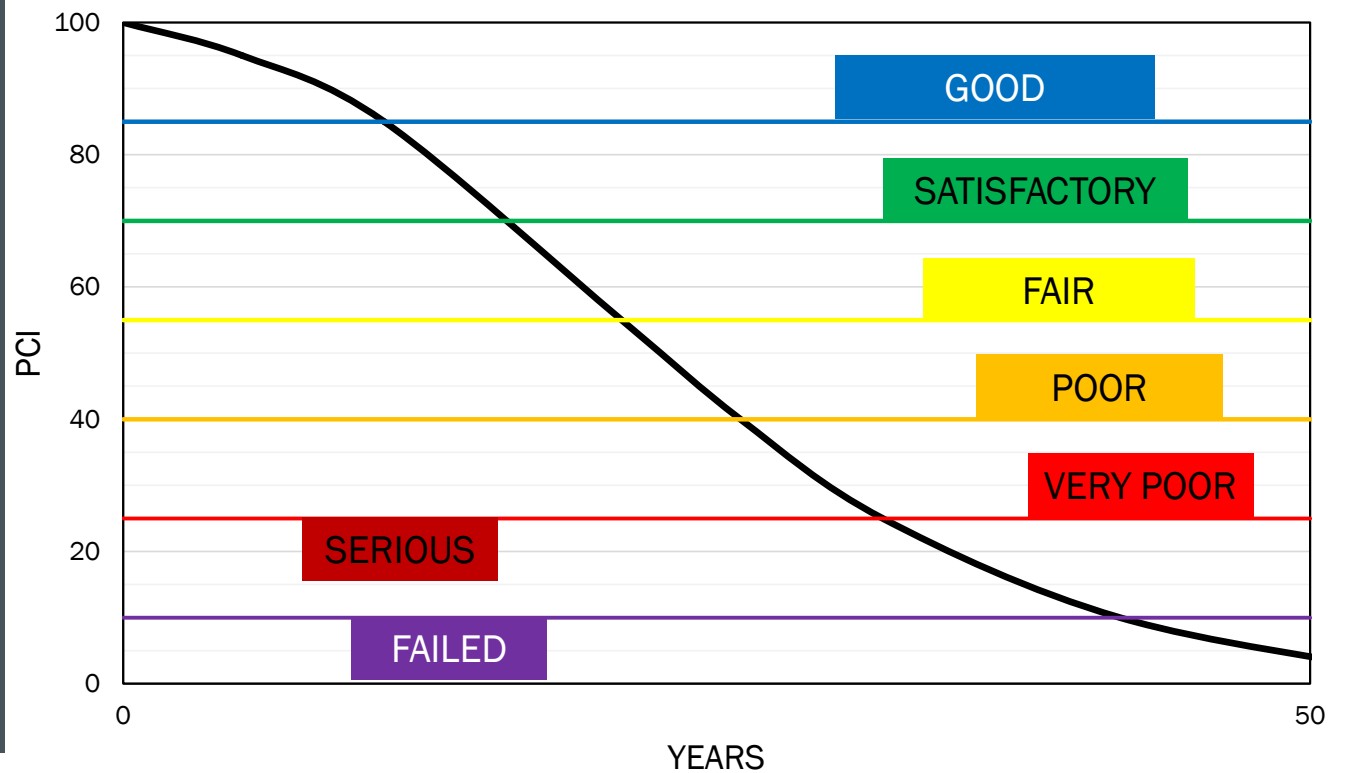


- Current version of pavement management plan approved in 2023, but process has been followed since 2018.
- Guides how funding is distributed and outlines a general process to identify and select projects based several factors.
- Projects delivered on a rotating schedule to evenly distribute funding across Carson City.
- **Goal – Reconstruction is expensive, so keep the good Roads Good.**

PAVEMENT CONDITIONS AND ANALYSIS

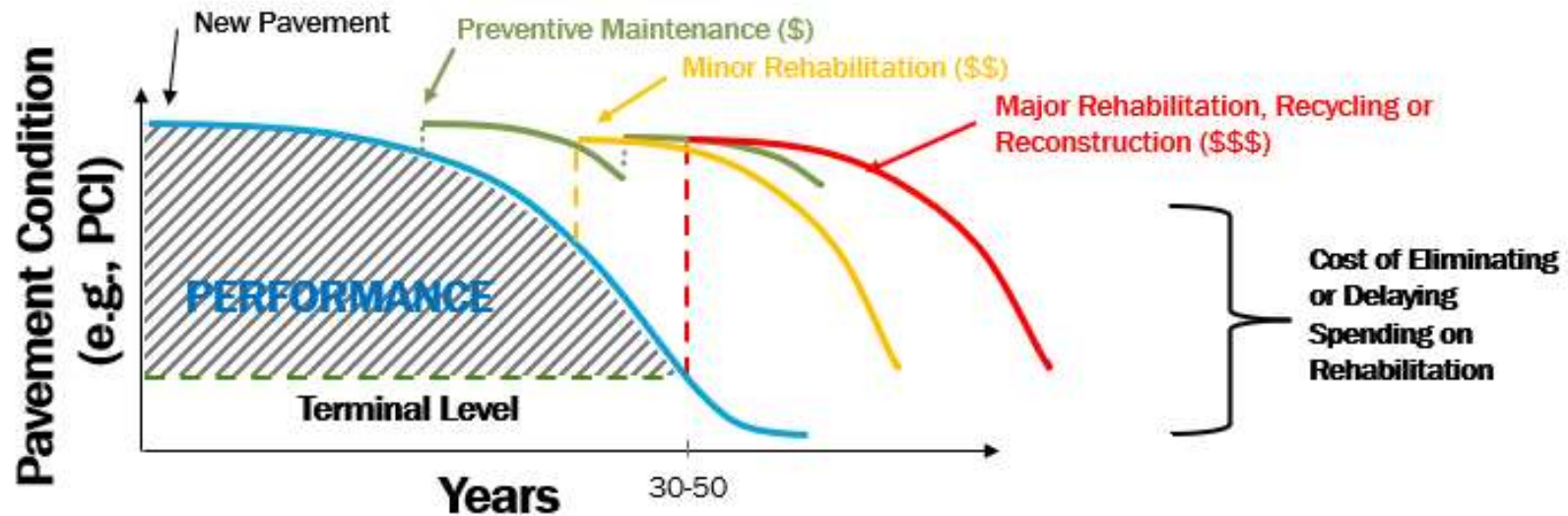


- Pavement Condition Index (PCI)
- PAVER Asset Management Software



PAVEMENT TREATMENT

- Two Main Pavement Treatment categories:
 - Preservation / Preventative Maintenance = Surface Treatments like micro-slurry or chip seals
 - Rehabilitation = Mill and Overlay or Reconstruction

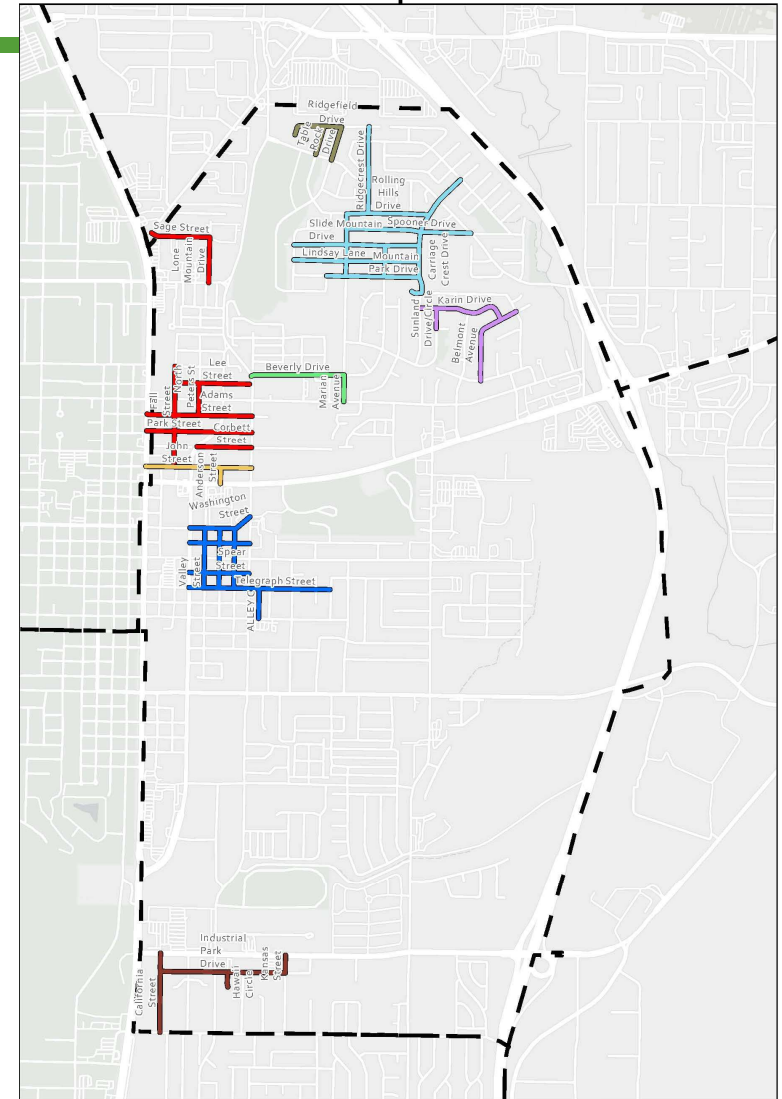


DISTRICT 2 – LOCAL ROAD THEORETICAL PROJECTS (NO CURRENT FUNDING)

2025 District 2 - Theoretical Local Road - Transportation Projects

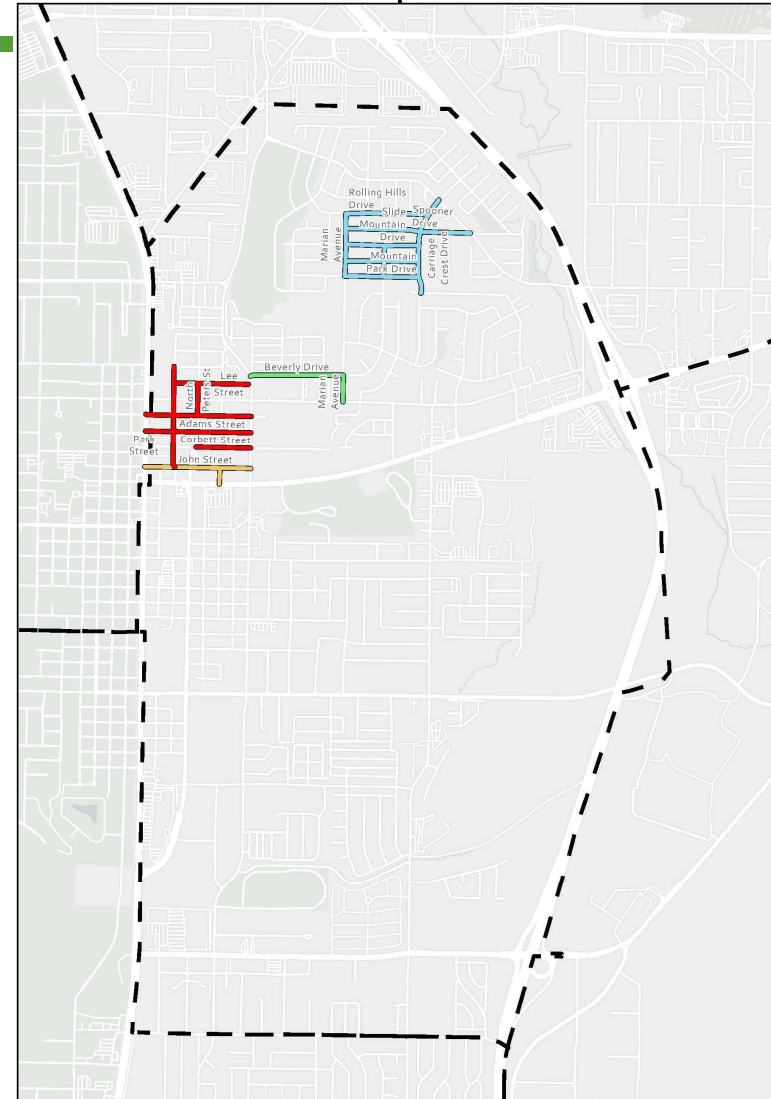
Project Name	Treatment	PCI Condition	Project Length (Centerline mi)	Project Score (Max 14)	Order of Rank	Preliminary Estimated Cost
Adams / Park Project	Preservation	60	2.2	5.13	2	\$ 1,370,000
Anderson / Walsh Project	Preservation	54	1.45	5.02	3	\$ 580,000
Beverly Drive Project	Rehabilitation	11	0.35	5.17	1	\$ 1,230,000
John Street Project	Rehabilitation	24	0.4	4.61	4	\$ 1,540,000
Carriage Crest Project	Rehabilitation	24	2.8	3.9	5	\$ 6,100,000
California Street Project	Rehabilitation	37	0.67	3.83	6	\$ 1,100,000
Table Rock Drive Project	Rehabilitation	35	0.4	3.5	7	\$ 1,290,000
Belmont Avenue Project	Rehabilitation	28	0.7	3.36	8	\$ 1,560,000
Totals			8.97			\$ 14,770,000

*Projects sorted by proposed treatment



DISTRICT 2 LOCAL ROAD PROJECT SELECTION

Project Name	Treatment	PCI Condition	Project Length (Centerline mi)	Estimated Cost
Adams / Park Project	Preservation	60	2.2	\$ 1,370,000
Beverly Drive Project	Rehabilitation	11	0.35	\$ 1,230,000
John Street Project	Rehabilitation	24	0.4	\$ 1,540,000
Carriage Crest Project - Reduced	Rehabilitation	24	1.8	\$ 3,400,000
Total			4.75	\$ 7,540,000
Alternative				
Adams / Park Project	Preservation	60	2.2	\$ 1,370,000
Beverly Drive Project	Rehabilitation	11	0.35	\$ 1,230,000
John Street Project	Rehabilitation	24	0.4	\$ 1,540,000
California Street Project	Rehabilitation	37	0.67	\$ 1,100,000
Belmont Avenue Project	Rehabilitation	28	0.7	\$ 1,560,000
Total			4.32	\$ 6,800,000



INITIAL PRIORITIZATION OF OTHER DISTRICTS (SUBJECT TO CHANGE)

District 3

- Streets near Empire Elementary
- Streets near Empire Ranch Golf Course
- Streets near Eagle Valley Middle School
- Roads in the Schulz Ranch area

District 4

- Streets east of Seeliger Elementary
- Streets between Koontz Ln and Clearview Dr
- Streets in the Downtown area

District 5

- Streets in the Downtown area
- Streets around Carson Middle School
- Streets in the Longview Rd Area
- Streets in the Lakeview Area

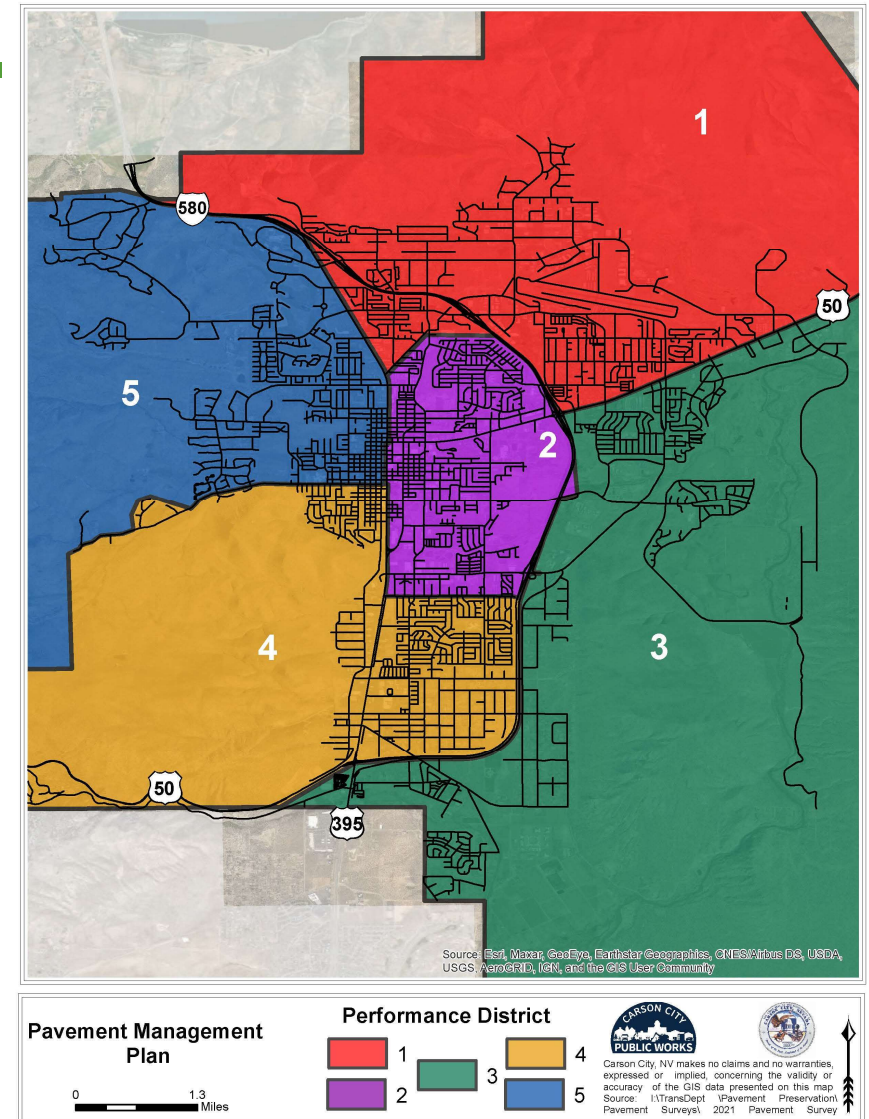
District 1

- Streets in the Northgate Ln / College Pkwy Area
- Streets in the NE industrial area
- Streets near College Pkwy and US 50
- Streets between Lompa Ln and Airport Rd

All local roads to be considered!

WHAT CAN WE GET WITH \$7M IN NEW REVENUE FOR LOCAL ROADS?

- Estimated to result in an additional 4-5 centerline miles of local road projects every year through a combination of preservation and rehabilitation projects.





PROJECT ACCOUNTABILITY

- Considerations and requirements:
 - Safety
 - Design and Construction Management
 - Accessibility and required American with Disabilities Act (ADA) upgrades with any project other than surface treatment
 - Complete Street elements
 - Projects by others
- Reporting:
 - Annual selection of project by RTC (typically June)
 - Project Status Report – Report Given to RTC every other month (posted online)
<https://www.carson.org/government/departments-g-z/public-works/transportation/transportation-resource-advisory-forum-for-carson-city>
 - Map of active projects online
 - Tracking of revenue received monthly from various sources

NEXT STEPS



- Evaluate outcome of ballot questions:
 - Both measures pass
 - Both measures fail
 - One measure passes and the other fails
- Staff will continue to identify, prioritize, and deliver projects.

BOTH MEASURES PASS



- Both Measures Pass:
 - Develop an expenditure plan for the Transportation Sales Tax and Supplemental GST that will include a description of the project, cost estimates, and implementation concepts.
 - Develop of 5-year list of potential projects to be reviewed and adjusted annually by RTC.
 - BOS would be asked to approve an ordinance for the two ballot measures.
 - Collection could begin in April 2025.
 - First round of projects would be construction in 2026 in Performance District 3.

BOTH MEASURES FAIL



- Both Measures Fail:
 - Staff to re-engage with RTC and BOS to consider other possible funding mechanisms
 - Staff will continue to identify, prioritize, and deliver projects using current funding levels and processes.
 - Limited projects to occur on 'Local' roads.

ONE MEASURE PASSES



- One Measure Passes, but not the other:
 - Develop an expenditure plan for the measure that does pass to include a description of the funding use, cost estimates and implementation concepts.
 - BOS would be asked to approve an ordinance for the ballot measure.
 - Collection could begin in April 2025.
 - First round of projects would be construction in 2026 in Performance District 3.
 - Staff to re-engage with RTC and BOS to consider other possible funding mechanisms



THANK YOU!

CHRIS MARTINOVICH, PE | TRANSPORTATION MANAGER
cmartinovich@carson.org

