

BDR 43-796
A.B. 237

LOCAL GOVERNMENT
FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: March 10, 2003

Agency Submitting: Regional Transportation Commission of Southern Nevada

Items of Revenue or Expense, or Both	Fiscal Year 2002-03	Fiscal Year 2003-04	Fiscal Year 2004-05	Effect on Future Biennia
Fuel Expense (Expense)		\$375,000	\$750,000	
Total		\$375,000	\$750,000	\$0

Explanation (Use Additional Sheets of Attachments, if required)

Name John Brumley
Title Fiscal Services Administrator

The RTC of Southern Nevada currently is estimating FY 2004 diesel usage at 5.8 million gallons. The additional cost experienced in testing these alternative fuels was 12 cents per gallon. The RTC will choose to use the ultra low-sulfur diesel, as the CARB significantly reduced vehicle performance. Because the federal requirement of upgrading to these cleaner burning fuels doesn't begin until January 2004, FY 2004 estimates are based on a half-year of increased costs, whereas FY 2005 identifies the anticipated annual cost of fuel conversion. As the RTC is in the process of migrating its fleet to compressed natural gas (CNG) the impact on upcoming years/biennia is uncertain. The costs should approximate \$1 million annually until the conversion has been substantially complete (approx. 8 years).