

**ROARING FORK TRANSPORTATION AUTHORITY  
BOARD OF DIRECTORS MEETING AGENDA**

**TIME:** 8:30 a.m. – 11:30 a.m., Thursday, September 9, 2021

**Regular Location:** In-Person at Town Hall (Room 1), 511 Colorado, Carbondale, CO 81623

**Or instructions regarding how to participate in the meeting remotely via Webex are attached to the e-mail transmitting the Board Agenda Packet, on the second page of this agenda, or at [www.rfta.com](http://www.rfta.com) on the Board Meeting page.**

**(This Agenda may change before the meeting)**

	<b>Agenda Item</b>	<b>Policy</b>	<b>Purpose</b>	<b>Est. Time</b>
1	<b>Call to Order / Roll Call:</b>		<b>Quorum</b>	<b>8:30 a.m.</b>
2	<b>Executive Session:</b>			
	A. Paul Taddune, General Counsel: <b>Two matters:</b> 1) Pursuant to C.R.S. 24-6-402(4)(d) Specialized details of security arrangements or investigations; and 2) Pursuant to C.R.S. 24-6-402(4)(a) The purchase, acquisition, lease, transfer, or sale of any real, personal, or other property interests (Possible acquisition of property for 27 <sup>th</sup> Street Park & Ride facility)		<b>Executive Session</b>	<b>8:31 a.m.</b>
3	<b>Approval of <a href="#">Minutes</a>:</b> RFTA Board Meeting August 12, 2021, <b>page 3</b>		<b>Approve</b>	<b>9:00 a.m.</b>
4	<b>Public Comment:</b> Regarding items not on the Agenda (up to one hour will be allotted if necessary, however, comments will be limited to three minutes per person).		<b>Public Input</b>	<b>9:02 a.m.</b>
5	<b>Items Added to Agenda – Board Member Comments:</b>	<b>4.3.3.C</b>	<b>Comments</b>	<b>9:10 a.m.</b>
6	<b>Presentations/Action Items:</b>			
	A. <a href="#">Background</a> Presentation and Discussion Regarding RFTA Formation IGA, and Its Compatibility with RFTA’s Vision, Mission, Outcomes, and Smart Objectives – Dan Blankenship, CEO, <b>page 12</b>	<b>2.0</b>	<b>Discussion /Direction</b>	<b>9:20 a.m.</b>
	B. Findings from <a href="#">Analysis</a> of the Potential Transfer of No-Fare Service from EOTC to RFTA by PFM Group Consulting LLC – Michael Yang, CFAO <b>page 13</b>	<b>2.3.7</b>	<b>Discussion /Direction</b>	<b>9:50 a.m.</b>
	C. <a href="#">Presentation</a> of 1 <sup>st</sup> Draft of RFTA 2022 Budget – Michael Yang, CFAO and Paul Hamilton, Director of Finance, <b>page 22</b>	<b>4.2.5</b>	<b>Discussion</b>	<b>10:30 a.m.</b>
7	<b>Information/Updates:</b>			
	A. <a href="#">CEO</a> Report – Dan Blankenship, CEO, <b>page 40</b>	<b>2.8.6</b>	<b>FYI</b>	<b>11:05 a.m.</b>
8	<b>Issues to be Considered at Next Meeting:</b>			
	To Be Determined at the September 9, 2021 Board Meeting	<b>4.3</b>	<b>Meeting Planning</b>	<b>11:20 a.m.</b>
9	<b>Next Meeting:</b> 8:30 a.m. – 11:30 a.m., October 14, 2021, Carbondale Town Hall and via Webex Teleconference (Details to be provided later)	<b>4.3</b>	<b>Meeting Planning</b>	<b>11:25 a.m.</b>
10	<b>Adjournment:</b>		<b>Adjourn</b>	<b>11:30 a.m.</b>

-- Do not delete or change any of the following text. --

**When it's time, join your Webex meeting here.**

[Join meeting](#)

**More ways to join:**

**Join from the meeting link**

<https://rfta.webex.com/rfta/j.php?MTID=m83022a21bb06ce7e016ca21cebfaa220>

**Join by meeting number**

Meeting number (access code): 2451 061 0376

Meeting password: pePFcHR43D5

**Tap to join from a mobile device (attendees only)**

[+1-650-479-3208,24510610376##](tel:+1-650-479-3208,24510610376##) Call-in toll number (US/Canada)

**Join by phone**

1-650-479-3208 Call-in toll number (US/Canada)

**Join from a video system or application**

Dial [24510610376@rfta.webex.com](tel:24510610376@rfta.webex.com)

You can also dial 173.243.2.68 and enter your meeting number.

**Join using Microsoft Lync or Microsoft Skype for Business**

Dial [24510610376.rfta@lync.webex.com](tel:24510610376.rfta@lync.webex.com)

If you are a host, [click here](#) to view host information.

Need help? Go to <https://help.webex.com>

**ROARING FORK TRANSPORTATION AUTHORITY  
BOARD MEETING MINUTES  
August 12, 2021**

**Board Members Present:**

Dan Richardson, Chair (Town of Carbondale); Bill Kane, Vice-Chair (Town of Basalt); Art Riddile (Town of New Castle); Torre (City of Aspen); Greg Poschman (Pitkin County); Jeanne McQueeney (Eagle County); Alyssa Shenk (Town of Snowmass Village)

**Non-Voting Alternates Present**

Francie Jacober (Pitkin County); Bill Madsen (Town of Snowmass Village)

**Staff Present:**

Dan Blankenship, Chief Executive Officer (CEO); Paul Taddune, General Counsel; Michael Yang, Chief Financial Administrative Officer (CFAO); Kurt Ravenschlag, Chief Operating Officer (COO); Nicole Schoon, Secretary to the Board of Directors; Mike Hermes, Angela Henderson, Abbey Pascoe, Brett Meredith, and Gustavo Hurtado, Facilities and Trails Department; David Johnson Director of Planning; Paul Hamilton, Director of Finance; Jamie Tatsuno and Jennifer Balmes, Communications Department; Rebecca Hodgson, Procurement Department; Chris Belmont, Operations Department; Craig Dubin, Special Projects Manager; Ed Cortez, President, ATU Local 1774

**Visitors Present (in person or via WebEx):**

David Pesnichak (EOTC/Pitkin County); David Peckler (Town of Snowmass Village); John Krueger (City of Aspen); Belinda Judelman (Toole Design); Linda DuPriest (City of Glenwood Springs); Jeff White and Justin Williams (citizens)

**Agenda**

**1. Call to Order/Roll Call:**

**Dan Richardson called the RFTA Board of Directors to order at 8:34 a.m. Richardson declared a quorum to be present (7 member jurisdictions present) and the August 12, 2021 RFTA Board of Directors meeting began at 8:35 a.m.**

**2. Executive Session:**

- A. Two Matters:** 1) Pursuant to C.R.S. 24-6-402(4)(a) The purchase, acquisition, lease, transfer, or sale of any real, personal, or other property interests (Possible acquisition of property for 27<sup>th</sup> Street Park & Ride facility). 2) Pursuant to C.R.S. 24-6-402(4)(d) Specialized details of security arrangements or investigations.

**Art Riddile moved to adjourn from the Regular Board Meeting into Executive Session and Alyssa Shenk seconded the motion. The motion was unanimously approved. Executive Session began at 8:40 a.m.**

**Staff Present:** Dan Blankenship, CEO; Paul Taddune, General Counsel; Kurt Ravenschlag, COO; Michael Yang, CFAO; Nicole Schoon, Secretary to the Board; and Mike Hermes, Director of Facilities

**Riddile moved to adjourn from Executive Session into the Regular Board Meeting and Torre seconded the motion. The motion was unanimously approved.**

**No action was taken during the Executive Session. Executive Session adjourned at 8:54 a.m.**

**3. Approval of Minutes:**

**Riddile moved to approve the July 8, 2021 Board Meeting Minutes, and Bill Kane seconded the motion. The motion was unanimously approved.**

**4. Public Comment:**

**Richardson asked if any member of the public would like to address the Board or make a comment regarding items not on the August 12, 2021 Board Agenda.**

Ed Cortez thanked Dan Blankenship and staff for the recent cordial ATU contract negotiations and for all of the Board support during the process.

**Richardson closed Public Comments at 8:58 a.m.**

**5. Items Added to Agenda – Board Member Comments:**

**Richardson asked if there were any items that needed to be added to the August 12, 2021 Board meeting Agenda.**

Board Agenda item 6.B., Resolution 2021-16: Supporting the Grant Application for a Grant from the Garfield County Federal Mineral Lease District (GCFMLD) was removed from the August 12, 2021 Board Agenda.

Board Agenda item 8.B., Background Presentation and Discussion Regarding RFTA Formation IGA, and Its Compatibility with RFTA's Vision, Mission, Outcomes, and Smart Objectives was removed from the August 12, 2021 Board Agenda.

**Richardson asked if any Board member had comments or questions regarding issues not on the August 12, 2021 Board meeting Agenda.**

Greg Poschman stated that the Pitkin Board of County Commissioners (BOCC) authorized staff to reaffirm its actions related to coal based methane. The Pitkin BOCC is scheduling a bike ride up to the Maroon Bells. He suggested that the RFTA Board also take a bike ride up to the Maroon Bells to see the growing issues that are occurring on the Maroon Bells road.

Kane stated that Basalt is in conversations with the Downtowner to help with the First/Last Mile, and would like to work with RFTA to see how this could work best.

Riddile stated that the Colorado School of Mines has 9 Autonomous Buses on their campus.

Richardson let the Board know that hybrid (in-person and via WebEx) would begin in September, and that the Carbondale Town Hall is open and has plenty of room for social distancing.

**Richardson closed Board comments at 9:00 a.m.**

## 6. Consent Agenda:

### A. Tree Farm BRT Facilities Agreement – Mike Hermes, Director of Facilities

As a condition of its development approval, Eagle County Board of County Commissioners required the Tree Farm developer to build 20 parking spaces and dedicate them to RFTA for users of the RFTA bus system, as well as provide a funding contribution to RFTA in the amount of \$400,000 to be used to acquire or build additional parking spaces anywhere in the RFTA jurisdiction. The Tree Farm BRT Facilities Agreement memorializes the obligations of RFTA and the Tree Farm for the long-term maintenance and management of the 20 parking spaces that have been dedicated to RFTA.

RFTA will be obligated to buy, install, and maintain the signage necessary to manage this parking and will be responsible for any costs associated with the management of these space such towing or the installation of security cameras

**Riddile moved to approve the Approval of the Tree Farm BRT Facilities Agreement, and Kane seconded the motion. The motion was unanimously approved.**

### B. Resolution 2021-16: Supporting the Grant Application for a Grant from the Garfield County Federal Mineral Lease District (GCFMLD) – David Johnson, Director of Planning

Resolution 2021-16: Supporting the Grant Application for a Grant from the Garfield County Federal Mineral Lease District (GCFMLD) was removed from the Consent Agenda.

### C. Resolution 2021-17: Authorization to Submit Grant Application to Colorado Department of Local Affairs (DOLA) – David Johnson, Director of Planning

There are several key elements of the GMF renovation and expansion that remain unfunded. RFTA intends to seek \$600,000 in grant funding from DOLA for hydrogen fueling infrastructure. Total cost of the hydrogen infrastructure is estimated to be about \$4 million.

In order to keep the Resolutions in numerical order, and with Resolution 2021-16: Supporting the Grant Application for a Grant from the Garfield County Federal Mineral Lease District (GCFMLD) being removed from the Consent Agenda, this resolution will be renumbered to Resolution 2021-16.

**Riddile moved to approve renumbering Resolution 2021-17: Authorization to Submit Grant Application to Colorado Department of Local Affairs (DOLA) to Resolution 2021-16: Authorization to Submit Grant Application to Colorado Department of Local Affairs (DOLA), and Kane seconded the motion. The motion was unanimously approved.**

### D. CDOT Contract for the Reconstruction by the State of the Maroon Creek Roundabout on State Highway 82 – Dan Blankenship, CEO

CDOT requested that RFTA be a funding partner in the Maroon Creek Roundabout Reconstruction Project, which is slated to go out to bid in the fall of this year, and commence construction in the summer of 2022. At the February 11, 2021 meeting, the RFTA Board voted in favor of providing a \$300,000 contribution to the project. CDOT is requesting that RFTA honor its funding commitment by executing a standard contract, which obligates RFTA for the remittance of \$300,000 in reimbursement for construction costs incurred by CDOT.

**Riddile moved to approve the CDOT Contract for the Reconstruction by the State of the Maroon Creek Roundabout on State Highway 82, and Kane seconded the motion. The motion was unanimously approved.**

**E. Intergovernmental Agreement between City of Glenwood Springs (City) and the Roaring Fork Transportation Authority (RFTA) to Construct and Maintain the 27th Street and State Highway 82 Pedestrian Underpasses – Kurt Ravenschlag, COO**

RFTA, City of Glenwood Springs, the Colorado Department of Transportation (CDOT), and other entities have collectively appropriated approximately \$10.399 million to complete two Pedestrian Underpasses of State Highway 82 (SH82) and 27th Street located in the right-of-ways of State Highway 82 (CDOT), 27<sup>th</sup> Street (City) and Rio Grande Corridor (RFTA).

RFTA agrees to assume the primary responsibility in regards to funding, managing, and constructing the Project. The agreement establishes the obligations of the City and RFTA for long-term maintenance and operations of the Underpasses. RFTA will own the Underpass that crosses 27<sup>th</sup> Street. The City will own the underpass that crosses SH 82.

**Riddile moved to approve the Intergovernmental Agreement between City of Glenwood Springs (City) and the Roaring Fork Transportation Authority (RFTA) to Construct and Maintain the 27th Street and State Highway 82 Pedestrian Underpasses, and Kane seconded the motion. The motion was unanimously approved.**

**7. Public Hearing:**

**A. Adoption of Proposed Reduction of the Youth Fare ages 6 – 16 or 6-19 to a One Dollar System-wide Flat Fare – David Johnson, Director of Planning and Mike Yang, CFAO**

To provide more affordable youth fares, improve mobility options for a large group of travelers, including families, and to promote the use of public transit, staff recommended:

- Changing the youth fare from \$1 off of the full adult cash fare to a flat \$1 per ride on any RFTA regional commuter bus, and
- Extending the age range covered by the Youth Fare from 6 through 16 years old to 6 through 18 years old (Children ages five and younger would still ride fare free)

With this change, RFTA would also eliminate all current monthly youth pass programs and advocate using the \$40 discounted stored value card in lieu of a youth pass.

While it may be possible for a 19 year old to be in high school, a more likely age range to cover the youths through high school would be up to age 18. Under the scenario of youth fare for ages 6 to 18 years, the low estimate of added youth boardings is 85,000 and the added accompanying full-fare adult ridership is 9,500, with an estimated net revenue reduction of (\$217,000). The high estimate of added youth boardings is 160,000 and added accompanying full-fare adult ridership is 25,000 with an estimated net revenue reduction of (\$92,000).

RFTA would also eliminate all monthly passes for youths, since at \$1 per ride, for an average of 22 round-trips per month, the cost to ride anywhere on RFTA regional services would be \$44, compared with the current \$64 Hogback Monthly Youth Pass or \$89 for the New Castle to Aspen Monthly Youth Pass; a savings of \$20 and \$49 respectively.

**Richardson asked if any member of the public would like to address the Board or make a comment regarding the Adoption of Proposed Reduction of the Youth Fare ages 6 – 16 or 6-19 to a One Dollar System-wide Flat Fare.**

Jeff White, Aspen teacher, stated that he is extremely excited that RFTA is changing the price for children to ride RFTA buses. Due to the high cost of getting his family up and down the valley, they did not ride the bus as often as they could have. He feels that the age range should cover kids through high school. He thanked RFTA and the Board for getting his family back to riding RFTA buses.

**Richardson closed Public Comments at 8:46 a.m.**

**Francie Jacober stated that RFTA should discuss having free rides for underage, possibly in the future.**

**Poschman questioned what the cost of processing the rider would be and if those attending college could be included in the lower cost, they would have to show a school ID to ride for the lower price.**

**Shenk asked if the child has to have a dollar, and if there is a way to get them something they can show to ride at the \$1.00 fare.**

**Michael Yang responded that RFTA has been working on getting a mobile ticketing solution. Once the mobile ticketing is in place it could maximize the ability for all to utilize RFTA services. RFTA is still in the process of getting a contract in place.**

**Kane was supportive of this new price for youths, it will get more cars off the roads and kids outdoors.**

**Jeanne McQueeney thanked RFTA staff for their hard work on this process, and stated that the fare should encompass children through the age of 18. Once the new mobile ticketing is in place RFTA could reevaluate and make any necessary changes to the age restriction.**

**Greg Poschman moved to approve the Adoption of Proposed Reduction of the Youth Fare ages 6 through 18 to a One Dollar (\$1.00) System-wide Flat Fare, and Kane seconded the motion. The motion was unanimously approved.**

## **8. Presentations/Action Items:**

### **A. RFTA Board Retreat Summary – David Johnson, Director of Planning**

Topics and outcomes of the meeting are summarized below:

#### **Post Pandemic Outlook and Needs**

- Need to address long-term retention of drivers with wages, benefits, housing

#### **First and Last Mile Mobility**

- Standards for consistency and quality
- Control and maintain accountability of contractors who are involved with FLMM
- Simple, consistent service across region
- RFTA and We-cycle each have distinct and important roles

## **Climate Action**

- Create baseline metrics for GHG emissions, and create measurable outcomes for whatever initiatives we choose, so we know where to focus our attention and resources
- Our greatest impact on GHG emissions is providing quality public transportation, getting people out of cars
- Consider impact fees for developers
- Consider getting more involved in efficient land use/TOD, not just efficient transportation

## **B. Background Presentation and Discussion Regarding RFTA Formation IGA, and Its Compatibility with RFTA's Vision, Mission, Outcomes, and Smart Objectives – Dan Blankenship, CEO**

The Background Presentation and Discussion Regarding RFTA Formation IGA, and Its Compatibility with RFTA's Vision, Mission, Outcomes, and Smart Objectives was removed from the August 12, 2021 Board Agenda and rescheduled to the September 9, 2021 Board meeting.

## **C. Preliminary Planning Initiatives, Assumptions and Issues for 2022 RFTA Budget – Michael Yang, CFAO**

Michael Yang highlighted items reflected in the 2022 RFTA Budget, which include:

- Align budget with goals identified in RFTA's Strategic Initiatives.
- EOTC's request to discuss having RFTA assume all or a portion of the Aspen/Snowmass No-Fare service fare offset due to the anticipated reductions in EOTC use tax revenues as a result of the tax law change from HB19-1240. RFTA has retained a third party consultant to analyze the financial impact of the potential transfer of the No-Fare service fare offset from the EOTC to RFTA. After completing its review, staff plans to present the consultant's report to the Board and make a recommendation to the Board for their consideration during the 2022 budget planning process.
- The 2021 budget reflects \$500,000 contribution from Garfield County in 2021 to support the Grand Hogback bus service. Initial reports indicate that the 2022 contribution amount may continue to be the same; however, staff will confirm their contribution final for 2022.
- The COVID-19 global pandemic has disrupted consumer behaviors and supply chains which has resulted in inflationary pressures and an increase in the cost for materials, goods, and fuel. The mountain migration experienced in RFTA's service area as reported last June by the Northwest Colorado Council of Governments has further increased the lack of affordable housing available to sustain the level of the full-time workforce needed. The national shortage of bus drivers and workers have further increased the ongoing challenges for RFTA with respect to its hiring needs. These factors are anticipated to have an impact on RFTA's 2022 budget.
- In 2020, RFTA benefited from CARES Act (Phases 1 & 2) grant funds of \$8.5 million, and in 2021, RFTA has been benefitting from CRRSAA and CARES Act Phase 3 grant funds of \$19.5 million. These federal stimulus and relief programs are intended to support the continuance of RFTA's essential regional transit services throughout the COVID-19 pandemic and help offset additional costs incurred and also any revenue shortfalls experienced. These programs allow RFTA to seek reimbursement on eligible costs incurred since early 2020 through 2022. RFTA drew down on the initial \$8.5 million in 2020 and anticipates drawing down on the entire \$19.5 million by the end of 2021 or early 2022. These funds have freed up local revenues that has resulted in a surplus in 2020 and a surplus is also anticipated in 2021, both increasing RFTA's fund balance and



reserves. The ongoing threat of the COVID-19 pandemic and its impacts are expected to continue. Without any new federal assistance programs, RFTA has a stronger fund balance and level of reserves that it can consider using, as needed, to navigate through the uncertainty in the upcoming year while moving forward with prioritized strategic initiatives.

- Through May 2021 (or June collections), sales and use tax revenues have increased by approximately 21% compared to prior year actuals. Through June, regional transit fares have increased by 50% compared to prior year actuals primarily due to increases in demand and the change from 50% to 100% seated capacity in June.
- 2022 is a property tax reassessment year. Staff will work closely with the Assessors in Pitkin, Eagle and Garfield Counties to obtain preliminary and final assessed valuations within RFTA's district.
- As part of the biennial compensation review, a market survey has been conducted in July for all positions. Management is currently reviewing the results before making recommendations to the board regarding any adjustments to be made, as well as the timing of any adjustments.
- WE-cycle anticipates the need to continue funding financial and administrative services in 2022. This would be a supplemental request in excess of the annual \$100,000 contribution.

**Torre stated that the budget process is a highly complex process and Yang did an amazing job at highlighting the most important items. He appreciates Yang and RFTA staff who worked on this budget process.**

**D. Regional Bike Share/First and Last Mile Mobility (FLMM) Update – David Johnson, Director of Planning**

One of the key outcome goals is to identify the appropriate planning, operating, financing, and governing framework for regional bike sharing, in consultation with the participating RFTA member jurisdictions. Toole Design is currently refining unit cost estimates of key bike sharing equipment, developing bikeshare system plans for each community, and preparing funding scenarios

Each community will have unique bike sharing goals and needs; levels of investment; levels of current implementation; and other unique policies or preferences. The plan will need to estimate each community's operating and capital costs and identify shared regional costs. Cost sharing agreements and a regional cost allocation plan will need to be developed by and among RFTA and the participating communities.

A summarized schedule is outlined below.

**August**

- Public Outreach continues
- Bike Share system planning: # of stations, bikes, e-bikes, etc.
- Governance structure revisions
- Funding: Potential sources, how to allocate specific funding versus shared resources, cost agreements
- Financial Pro-forma
- FLMM Typology and Case Studies

### ***September***

- Summarize Public Input
- Prepare draft bikeshare system plans for each community
- Prepare draft cost analysis for system plans in each community
- Prepare draft funding assessment
- Review Deliverables
- TAC Meeting #5: Preliminary system plan, cost analysis, funding assessment, preliminary FLM typologies, case studies, summary of public input

### ***October***

- Optional local Council briefings (TAC member responsibility)
- Incorporate feedback to finalize bikeshare system plans, cost and funding plans
- Finalize governance recommendations
- Bikeshare implementation plan
- Preliminary FLM recommendations and prioritization
- TAC Meeting #6: Final bikeshare plans, governance model, FLM recommendations and prioritization

### ***November***

- Recommended local Council briefings (TAC member responsibility / RFTA staff to attend/present)
- Draft bikeshare report for comment

### ***December:***

- Final TAC meeting: Finalize FLM recommendations
- Staff present to RFTA Board for update
- Distribute Draft FLM report for comment
- Final reports

### ***January 2022***

- Present to RFTA Board for Adoption

**Riddile asked if the Town of New Castle has been a part of this Plan.**

**Belinda Judelman responded yes, they will be doing outreach in New Castle as well.**

## **9. Information/Updates:**

### **A. CEO Report – Dan Blankenship, CEO**

A succession plan update will be included in the Board Agenda each month.

Richardson stated that it is important to keep the succession plan moving forward in order to have a smooth transition with RFTA's next CEO.

## **10. Issues to be Considered at Next Meeting:**

- 11. Next Meeting:** 8:30 a.m. – 11:30 a.m.; September 9, 2021, Carbondale Town Hall, Room 1 and via WebEx Teleconference, for those who are unable to attend in person.

**12. Adjournment:**

**McQueeney moved to adjourn from the August 12, 2021 RFTA Board meeting, and Poschman seconded the motion. The motion was unanimously approved.**

**The August 12, 2021 RFTA Board Meeting adjourned at 10:59 a.m.**

Respectfully Submitted:

Nicole R. Schoon  
Secretary to the RFTA Board of Directors

**RFTA BOARD OF DIRECTORS MEETING**  
**“PRESENTATION/ACTION” AGENDA SUMMARY ITEM # 6. A.**

<b>Meeting Date:</b>	September 9, 2021
<b>Subject:</b>	Background Presentation and Discussion Regarding RFTA Formation IGA, and Its Compatibility with RFTA’s Vision, Mission, Outcomes, and Smart Objectives
<b>Strategic Outcome:</b>	7. High Performing Organization
<b>Strategic Objective:</b>	7.5 Ensure appropriate transparency of all RFTA Business
<b>Presented By:</b>	Dan Blankenship, CEO
<b>Staff Recommends:</b>	Receive staff presentation, ask questions, and provide any direction needed.
<b>Executive Summary:</b>	<ol style="list-style-type: none"> <li>1. This is the first in a series of several staff presentations to the RFTA Board regarding the genesis and history of the Roaring Fork Transportation Authority (RFTA).</li> <li>2. Because many members of the current RFTA Board are relatively new, staff believes that this is an opportune time to provide background regarding the origins of the current Roaring Fork Transportation Authority and the Intergovernmental Agreement (IGA) that created it (in which various commitments and obligations are imbedded).</li> <li>3. For example, questions have arisen over the past year about whether certain transit services that RFTA provides are consistent with its mission, among which is the Maroon Bells Shuttle. Answers to these questions may be found in the IGA.</li> <li>4. Although staff believes that all services RFTA provides are generally consistent with its mission, or allowed or required by the RFTA formation IGA, Board members may view this issue differently, and should express their views on this subject.</li> <li>5. To discontinue the provision of the Maroon Bells Shuttle, however, could require an amendment to the RFTA formation IGA. The IGA has been amended four times since it was executed and to do so requires an affirmative vote of 6 of 8 Board members.</li> </ol>
<b>Governance Policy:</b>	RFTA Board General Executive Constraint Policy 2.0 states, “The CEO shall not knowingly cause or allow any practice, activity, decision or organizational circumstance that is unlawful, unethical, imprudent, in violation of the Intergovernmental Agreement, or in violation of commonly accepted business practices.”
<b>Attachments:</b>	<p>Yes, please see “Regional Transportation Authority Background Final.pdf,” as well as the “RTAIGA Execution Copy.pdf,” both of which are contained in the September 2021 RFTA Board Meeting Portfolio.pdf, attached to the e-mail transmitting the RFTA Board Meeting Agenda packet, or click on the following links:</p> <p><a href="https://www.rfta.com/wp-content/uploads/2021/09/regional-transportation-authority-background-final.pdf">https://www.rfta.com/wp-content/uploads/2021/09/regional-transportation-authority-background-final.pdf</a></p> <p><a href="https://www.rfta.com/wp-content/uploads/2021/09/rtaiga-execution-copy.pdf">https://www.rfta.com/wp-content/uploads/2021/09/rtaiga-execution-copy.pdf</a></p>

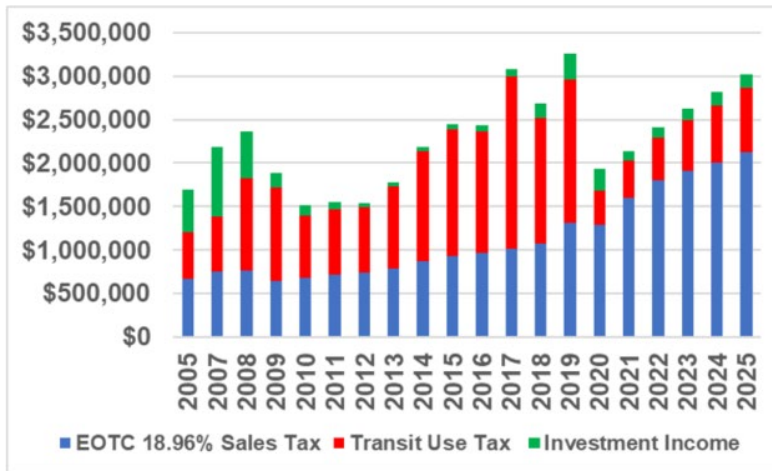
**RFTA BOARD OF DIRECTORS MEETING  
“PRESENTATIONS” AGENDA SUMMARY ITEM # 6. B.**

<b>Meeting Date:</b>	September 9, 2021
<b>Agenda Item:</b>	Findings from PFM Analysis of the Potential Transfer of No-Fare Service from EOTC to RFTA
<b>Strategic Outcome:</b>	Financial Sustainability
<b>Strategic Objective:</b>	4.1 Ensure accurate budget and accounting
<b>Presented By:</b>	Michael Yang, Chief Financial & Administrative Officer Hank Fishkind, PFM Group Consulting, LLC (PFM)
<b>Recommendation:</b>	No decision is required at this time, but staff will present to the Board highlights from the Executive Summary from the PFM analysis, along with a copy of the full report, for discussion and questions. Based on feedback from the Board, staff anticipates to make a recommendation to the Board on this issue as part of RFTA’s 2022 budget planning process at the October 2022 meeting.
<b>Core Issues:</b>	<p>RFTA contracted with PFM Consulting Group (PFM) to perform an analysis of the potential for the transfer of the fare offset for the Aspen-Snowmass Regional No-Fare Service from the Elected Officials Transportation Committee (“EOTC”) to RFTA. RFTA estimates the fare offset or cost of the no-fare service to range from \$814,000 to \$1.06 million between 2021 through 2025.</p> <p>The PFM analysis has been completed and the report has been provided for your reference (an Executive Summary can be found on pages 2 through 6). The report reviews the revenue structure and history of the EOTC budget, discusses the econometric forecasting methodology used to project the EOTC budget, presents a summary of the economic outlook for the U.S. and Pitkin County, provides revenue projections for sales and use taxes, examines the potential to transfer the fare offset of the no-fare service.</p> <p><b><u>Highlights from PFM’s Executive Summary include the following:</u></b></p> <ol style="list-style-type: none"> <li>1. Substantial structural changes have occurred since 2019 which affect the revenue projections for RFTA and EOTC. HB19-1240 changed Colorado’s administration of the State’s sales tax by taxing Ecommerce sales and shifting the nexus of taxation such that products delivered into Pitkin County are now subject to the County’s sales tax.</li> <li>2. However, the increased scope of the sales tax reduces use tax revenues from construction materials. If the materials pay the County’s sales tax, they no longer pay use tax.</li> <li>3. RFTA and EOTC share the ½ cent Pitkin County transportation sales tax. RFTA’s share is 81.04% with the balance of 18.96% going to EOTC. So, the sharp increase in sales taxes benefits both parties.</li> <li>4. However, EOTC retains 100% of the use tax which is declining sharply after passage of HB19-1240 and the consequent fall in use taxes on construction</li> </ol>

materials. Most of the negative impact on the EOTC budget occurs in 2020-2022 as the declines in the use tax exceed the growth in EOTC's share of the sales tax.

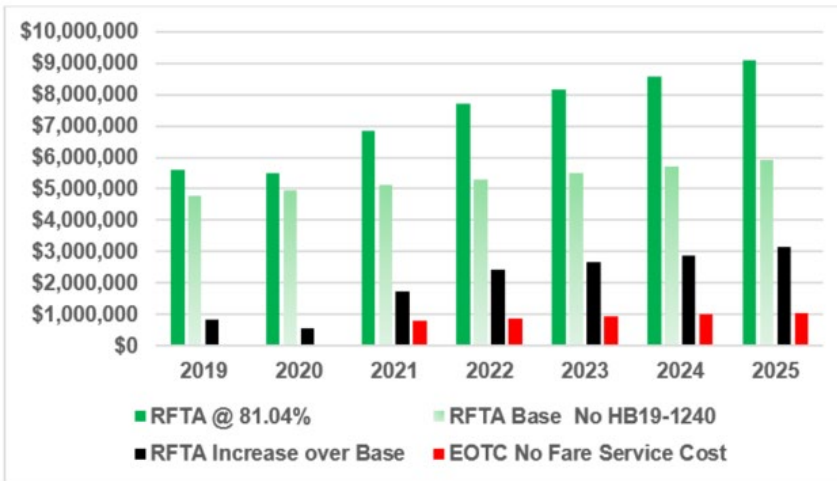
5. However, over time the projected increases in EOTC's sales tax revenues are expected to offset declines in use tax revenues through 2025 as Figure E1 illustrates. Overall, EOTC's total revenues are projected to grow from less than \$2 million in 2021 to over \$3 million by 2025.

**Figure E1. Annual Changes in EOTC Sales and Use Tax Receipts**



6. RFTA revenues increased substantially in 2019, because of a strong economy and HB19-1240. The 2020 Covid19 Recession caused RFTA revenues to dip. The forecast for 2021 and 2022 is for significant gains as the economy recovers and then for sales tax revenue gains to return to their more normal levels of about 5% per year.
7. Based on these projections, can RFTA absorb the cost of the no-fare service? The answer is yes, as Table E1 shows.
8. The combination of HB19-1240 and a rebounding economy from 2021-23 will result in strong gains in the ½ cent transit sales tax pushing RFTA's 81.04% share up strongly as well. Some of this revenue growth would have occurred without the effect of HB19-1240. From 2005-2018 RFTA's share of the transit tax grew at a 4% annual rate as shown in the column labeled "RFTA Base No HB19-1240." The "RFTA Increase over Base" shows the amount of additional sales tax revenues resulting from HB19-1240, which expanded the sales tax base and taxed products purchased elsewhere, but delivered into Pitkin.

**Figure E1. RFTA Revenues and the No Fare Subsidy**



9. It is also useful to review the impact of HB19-1240 on EOTC’s revenues compared to the estimated cost of the no fare service. Table E2 shows that through 2025 the no fare service has a total estimated cost of \$3,860,114. HB19-1240 is projected to increase EOTC’s sales tax revenues, but it will also decrease use tax revenues by even more with the net result of a reduction of \$2,472,977 by 2025. It is important to note that the forecasted reduction of EOTC revenues is less than the estimated cost for the no fare service for each year through 2025. It is worth consideration for RFTA to absorb the cost of the no fare service up to the amount of forecasted reduction in EOTC revenues and then have the EOTC to contribute the difference.

**Table E2. Net Impact on EOTC of HB19-1240 and Shifting the No Fare Service to RFTA**

Year	EOTC No Fare Cost	Net Impact of HB19-1240 on EOTC	Potential EOTC Contribution
2022	\$870,980	-\$432,355	\$438,625
2023	\$931,949	-\$569,416	\$362,533
2024	\$997,185	-\$680,954	\$316,231
2025	\$1,060,000	-\$790,252	\$269,748
	=====	=====	=====
Total	\$3,860,114	-\$2,472,977	\$1,387,137

10. Finally, there are additional policy considerations concerning the no-fare service. The same forces that are boosting RFTA revenues will boost sales tax revenues for all the EOTC communities and for all RFTA participants that collect sales taxes. These increases should be factored into the policy decisions concerning the no-fare service.

**RFTA staff’s comments:**

It is evident that the net impact of HB19-1240 benefits RFTA more than the EOTC based on their respective shares of the ½ cent Pitkin County transportation sales and use tax.

If PFM's revenue projections are accurate, then it appears that RFTA will generate sales tax revenues in excess of its base revenues before impacts from HB19-1240 that will be sufficient to cover the estimated cost of the no-fare service. However, this scenario reveals that the net impact of HB19-1240 on the EOTC's revenues will result in revenue losses, but not greater than the estimated fare offset that it would pay to RFTA. This creates an opportunity for the EOTC to contribute a portion of the estimated fare offset and RFTA use sales tax revenues to fund the remaining portion.

If actual revenues come in under PFM's projections, then it is possible that RFTA could not generate enough sales tax revenues over its base revenues to cover the estimated fare offset. Under this scenario, the net impact of HB19-1240 on EOTC's revenues would result in greater revenue losses which would also reduce its ability to contribute any portion of the estimated fare offset.

The 1<sup>st</sup> draft of the 2022 RFTA budget reflects a full contribution from the EOTC to RFTA for the fare offset for the no-fare service. If the RFTA Board would like staff to explore a cost-sharing approach between the EOTC and RFTA, then RFTA staff can plan to collaborate with the EOTC staff to develop a cost-sharing methodology to determine a manner in which to calculate the annual contributions from the EOTC to RFTA to cover a portion of the no-fare offset.

**Background:**

1. At the November 14, 2019 Board meeting (see attachment below on page 19), staff presented to the Board anticipated impacts of the Colorado HB 19-1240 Sales and Use Tax Administration (effective June 1, 2019). This state law was the result of the U.S. Supreme Court decision, i.e. South Dakota vs. Wayfair, which requires all retailers, including out-of-state retailers that do not have a physical presence in Colorado, to collect state and local sales tax at the point of delivery. This tax law impacted the sales and use tax revenues, including those levied in each of RFTA's member jurisdiction under RFTA's Regional Transportation Authority (RTA) 1% sales and use tax authorization and the Pitkin County mass transit sales taxes dedicated to RFTA by Pitkin County voters in 2000 and 2004. At that time, there was insufficient data available to accurately estimate the financial impact; however it was anticipated that this law would result in an increase in local sales tax collections, but will likely result in a reduction in use tax on construction materials and fabricated goods.
2. The primary issue communicated to the Board was regarding the impacts of the 0.5% Pitkin County Sales and Use Tax revenues to the EOTC and, ultimately, RFTA. The funding for the EOTC comes from two sources:
  - a. 0.5% Pitkin County Use Tax on construction goods, fabricated goods, and motor vehicle registration 100% dedicated to EOTC activities, and
  - b. 0.5% Pitkin County Sales Tax 18.96% dedicated to EOTC activities, and 81.04% to RFTA.
3. Moving forward, the majority of the use tax revenues are expected to come from motor vehicle registrations. The EOTC's anticipated increase in sales tax revenues will not fully offset the reduction in use tax collections, which will create long-term revenue concerns for the EOTC that will greatly impair its ability to



	<p>maintain current programs and projects, one of which is annual fare offset contribution to RFTA to support the Aspen-Snowmass Regional No-Fare Service. Because RFTA anticipates increased revenues from its dedicated share of the 0.5% Pitkin County Sales tax as a result of the tax law, the EOTC wanted to initiate discussion with RFTA about having RFTA assume all or a portion of the No-Fare service fare offset. Considering the symbiotic and mutually beneficial partnership between the EOTC and RFTA, and because the anticipated reduction in the EOTC use tax should result in corresponding increase in RFTA sales tax, the request by the EOTC for RFTA to absorb the cost of the No Fare offset seemed worthy of consideration by the RFTA Board.</p> <p>4. For 2020, the EOTC approved a transitional budget which included to fully fund the fare offset for the Aspen-Snowmass Regional No-Fare Service. During the 2021 budget planning presentations to the RFTA Board from August to November of 2020, staff provided updates on this item resulting from discussions with the EOTC staff. For 2021, due to the economic uncertainty created by the COVID-19 pandemic in the region, the EOTC approved \$813,678 of budget to continue the no-fare contribution to RFTA.</p> <p>5. As part of RFTA's 2021 work plan, staff has been continuing to discuss RFTA assuming all or a portion of the No-Fare service fare offset and have been analyzing actual sales and use tax collections. In the <a href="#">May RFTA Board Agenda Packet</a>, (on page 31) the CEO report included an update on staff's efforts to consider the EOTC's request to discuss having RFTA assume all or a portion of the No-Fare service fare offset due to the anticipated reductions in EOTC revenues as a result of the tax law change from HB19-1240. Based on staff's initial findings over the period between 2018 through 2020, it appeared that the 0.5% Pitkin County Use Tax revenues decreased while the 0.5% Pitkin County Sales Tax revenues increased. However, the net impact to the EOTC over the two-year period was a decline in its dedicated share of 0.5% Pitkin County Use Tax revenues while the net impact to RFTA was an increase in revenues.</p> <p>6. The actual sales and use tax revenue trends are consistent with the initial expectations made in 2019. The increase in revenues to RFTA appear to be sufficient for RFTA to assume all or a portion of the No-Fare service fare offset. However, information is not available to identify the exact amount of sales tax revenues that are attributable to the tax law change on June 2019.</p> <p>7. A third party consultant, PFM Group Consulting, LLC (PFM), has been utilized to provide an analysis of the potential for the transfer of the No-Fare service fare offset from the EOTC to RFTA. Part of PFM's due diligence included a conference call with Pitkin County and City of Aspen staff, which was facilitated by RFTA staff. PFM completed their analysis and submitted a draft report to RFTA staff for review and comment. RFTA staff also shared a copy of the draft report with Pitkin County and City of Aspen staff for their reference and comment.</p>
<p><b>Policy Implications:</b></p>	<p>Board Job Products Policy 4.2.5 states, "The Board will approve RFTA's annual operating budget (subject to its meeting the criteria set forth in the Financial Planning/Budget policy)."</p>

<b>Fiscal Implications:</b>	None at this time. However, if RFTA decides to cover all or a portion of the fare-offset for the no-fare service, then there may be a reduction in the annual contribution from the EOTC.
<b>Attachments:</b>	<p>Yes, please see "<a href="#">PFM Analysis Report 9.3.2021.pdf</a>" included in the September 2021 RFTA Board Meeting Portfolio.pdf, attached to the e-mail transmitting the Board Agenda Packet.</p> <p>Also, for additional background regarding the EOTC No Fare subsidy issue, please see RFTA staff briefing from the November 14, 2019 budget presentation titled, "Anticipated RFTA and Elected Officials Transportation Committee Pitkin County Mass Transit Sales and Use Tax Revenue Impacts Resulting from Passage of HB 19-1240," attached below.</p>

**2020-2021 Budget Issues (from November 14, 2019, Budget Presentation):**

**Anticipated RFTA and Elected Officials Transportation Committee Pitkin County Mass Transit Sales and Use Tax Revenue Impacts Resulting from Passage of HB 19-1240:**

Colorado HB 19-1240 Sales and Use Tax Administration went into effect on June 1, 2019. The new state law is the result of the U.S. Supreme Court decision, i.e. *South Dakota vs. Wayfair*, which requires all retailers, including out-of-state retailers that do not have a physical presence in Colorado, to collect state and local sales tax at the point of delivery. Although insufficient data are available to accurately estimate the financial impact, this law should result in an increase in local sales tax collections, but will likely result in a reduction in use tax on construction materials and fabricated goods. With respect to sales and use taxes levied in each of its member jurisdictions under RFTA's Regional Transportation Authority 1% sales and use tax authorization, this means that reductions in use tax collections should be more than offset by increases in sales tax collections.

Similarly, RFTA should see an increase in the Pitkin County mass transit sales taxes dedicated to it by Pitkin County voters in 2000 and 2004. As background, when the Region Transportation Authority was formed in 2000, Aspen, Snowmass Village, and Pitkin County decided to dedicate portions of the existing 1986 and 1993 1.5% Pitkin County mass transit sales taxes to RFTA, rather than impose new and additional sales and use taxes using RFTA's sales and use tax authorization. So, in 2000, Pitkin County voters were asked to dedicate a tax rate of .7215% from the 1.5% Pitkin County mass transit taxes to RFTA.

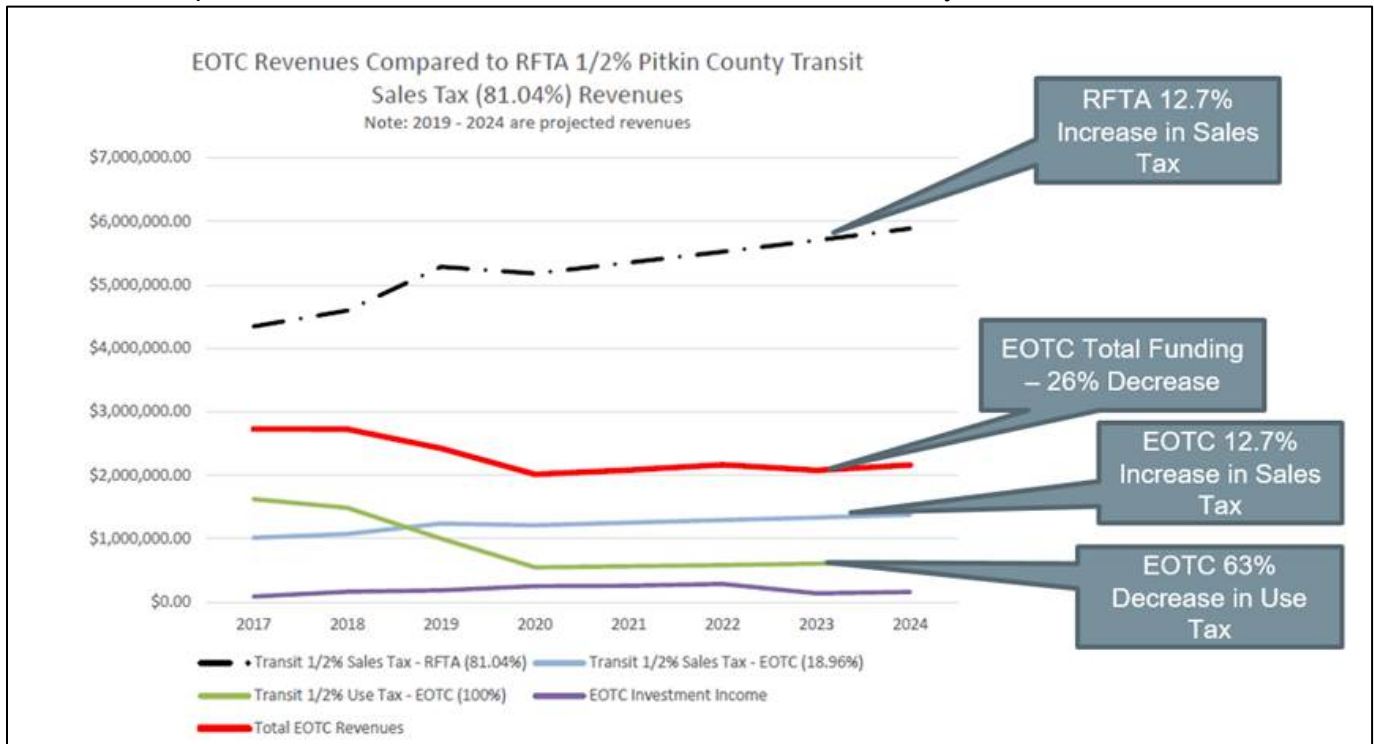
In a separate 2001 Intergovernmental Agreement (IGA), between Aspen, Snowmass Village, and Pitkin County, it was determined that the .7215% portion of the 1.5% Pitkin County sales taxes dedicated to RFTA would be comprised of a tax rate of .4813% of the 1986 1% Pitkin County mass transit sales tax and a tax rate of .2402% from the 1993 Pitkin county .5% mass transit sales and use tax. The 1% sales tax never had a use tax component, whereas the .5% mass transit tax was approved as a sales and use tax. In the 2000 vote, though, only the sales tax portion of the .5% sales tax was dedicated to RFTA by Pitkin County voters. Although no use tax was dedicated to RFTA with the sales tax, in 2000, when the RFTA Formation IGA was being crafted, it was agreed by all of the signatories that the amount of funding generated by the sales tax rate of .7215% from the Pitkin County mass transit sales taxes was sufficient for Aspen, Snowmass Village, and Pitkin County to defray an equitable share of the new RFTA dedicated financing.

The companion IGA was necessary because it set forth the percentage amounts that each jurisdiction would contribute from the 1% Pitkin County mass transit tax that would be dedicated to RFTA, with Pitkin County contributing 100% of the 1% of the tax collected in unincorporated areas, and Aspen and Snowmass Village contributing approximately 36% each of the amounts collected within their jurisdictions. Pitkin County agreed to contribute all of its 1% sales tax so that both Aspen and Snowmass Village could retain a sufficient amount of the 1% Pitkin County mass transit tax to operate their local services.

In 2004, RFTA asked voters to increase dedicated sales and uses taxes by .2% in Glenwood Springs, Carbondale, Eagle County, and Basalt. Aspen, Snowmass Village, and Pitkin County again decided to dedicate an additional dedicated tax rate of .165% from the remaining portion of the .5% sales and use tax, bringing the total amount dedicated to RFTA in 2000 and 2004 from the 1% and .5% sales taxes to a tax rate of .8104%. Again, these jurisdictions opted to retain the .5% use tax portion of the .5% sales and use tax which, with the remaining .1% sales tax was used to fund projects and programs approved by the Elected Officials Transportation Committee (comprised of Aspen, Snowmass Village and Pitkin County).

This background has been provided to explain why, in the case of the portion of the Pitkin County mass transit sales taxes dedicated to RFTA, RFTA should see an increase in sales tax revenue due to the passage of HB 19-1240, without a corresponding decrease in use tax, since RFTA has never received use tax related to these revenue sources. However, the EOTC (which uses the remaining .1% of the .5% sales tax and .5% of the

corresponding use tax to fund its capital and operating needs) will see a significant reduction in use tax that will not be offset by the increase in sales tax. The chart below (which was presented to the EOTC by David Pesnichak, Regional Transportation Administrator Pitkin County-EOTC, on October 17, 2019) illustrates what the forecasted impacts of HB 1240 will have on the EOTC's revenue in the years ahead:



Based on the current forecast, the .5% Pitkin County mass transit use tax that largely funds the EOTC is anticipated to decline by 63%, whereas the EOTC's .1% Pitkin County mass transit sales tax is only expected to increase by 12.7%. Overall, it is currently estimated that the EOTC will see a 26% decrease in total funding, which will greatly impair its ability to maintain current programs and projects, one of which is the Aspen/Snowmass No Fare service.

2009 was first full year of the No Fare service, which was implemented as a strategy to incentivize transit use in the upper Roaring Fork Valley and help take cars off the road. The 2009 fare offset amount of approximately \$429,000 was an estimate based on RFTA ridership and survey data. The amount was adjusted upward in 2010 to approximately \$551,000, which represented approximately 33% of operating costs. The farebox recovery ratio for other regional services is approximately 20%, however, the high volume on tourists using the Aspen/Snowmass service, that paid the cash fare, contributed to a higher than average farebox recovery ratio for the Aspen Snowmass service compared to the rest of the system. In 2010, the Woody Creek Van service was also made fare free, which had a negligible impact on the EOTC fare offset because of historically low ridership. RFTA continued to receive approximately \$553,000 per year from the EOTC for the fare offset until, in 2015, when it was agreed that the fare offset would be calibrated to be 33% of audited annual operating costs, and the fare offset was increased to \$621,658 at that time. Since 2015, the fare offset has gradually increased and, in 2020, the offset will be \$690,075.

For 2020, the EOTC has approved a transitional budget, which will fully fund the Aspen/Snowmass fare offset and other EOTC programs and projects. However, it is not anticipated that the EOTC will be in a position to fund the Aspen/Snowmass No Fare service in 2021, due to the anticipated significant reduction in use tax revenue. That is why the EOTC wants to initiate a conversation with the RFTA Board about having RFTA assume all or a portion of the No Fare service fare offset, because RFTA will likely see a corresponding increase in its .4% share of the .5% Pitkin County mass transit sales tax (due to the impact of HB 19-1240).

The EOTC's commitment to fund the No Fare service through 2020 will allow time to better understand the impact of HB 19-1240 on the EOTC's and RFTA's Pitkin County mass transit sales and use taxes, based on a year's worth of actual sales and use tax collection data. Then, as RFTA begins its 2021 budget cycle, the EOTC would like to determine whether, going forward, RFTA would agree to assume all or a portion of the No Fare service cost.

The EOTC has been a valued partner with RFTA over many years, contributing to the cost of hybrid buses, contributing to the cost of the Bus Rapid Transit Service Implementation Plan, constructing \$9 million in exclusive bus lanes in the upper Roaring Fork Valley, contributing to cost of the Rubey Park Transit Center renovation project, contributing to the cost of the Aspen/Airport Business Center and Basalt pedestrian underpasses, contributing to the cost of the Battery Electric Bus Pilot Project, and contributing \$335,000 to the cost of the Grand Avenue Bridge closure transit mitigation service. It has also provided ongoing financial support for WE-cycle and the Winter X-Games transit services. The EOTC is also planning to provide approximately half of the funding necessary to expand the paved portion of the Brush Creek Park Ride facility, as well as construct bathrooms at that location. Given the symbiotic and mutually beneficial partnership between the EOTC and RFTA, and because the anticipated reduction in the EOTC use tax should result in corresponding increase in RFTA sales tax, a request by the EOTC for RFTA to absorb the cost of the No Fare offset seems worthy of consideration by the RFTA Board. No decision is required at this time, but staff will be providing the Board with updates on this issue in the months ahead.

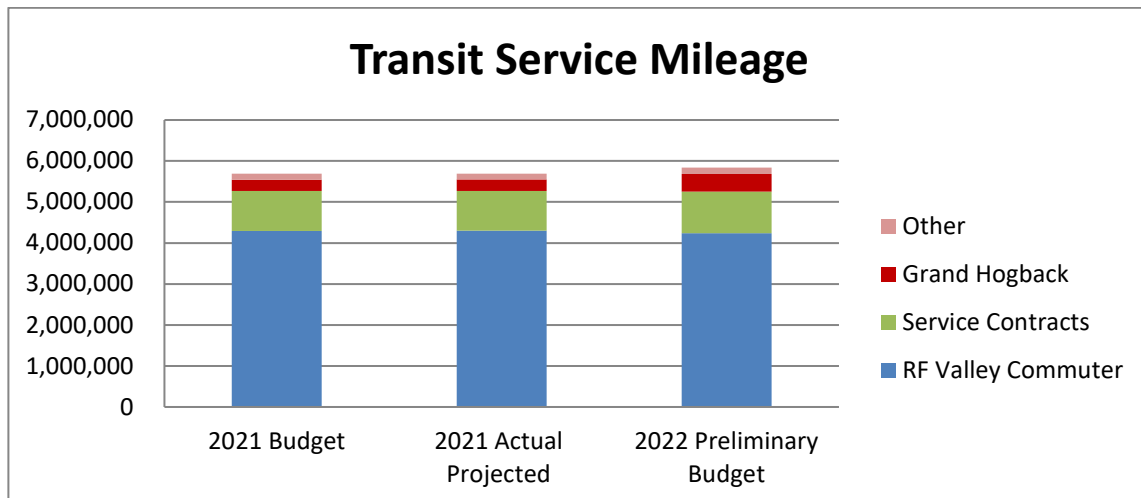
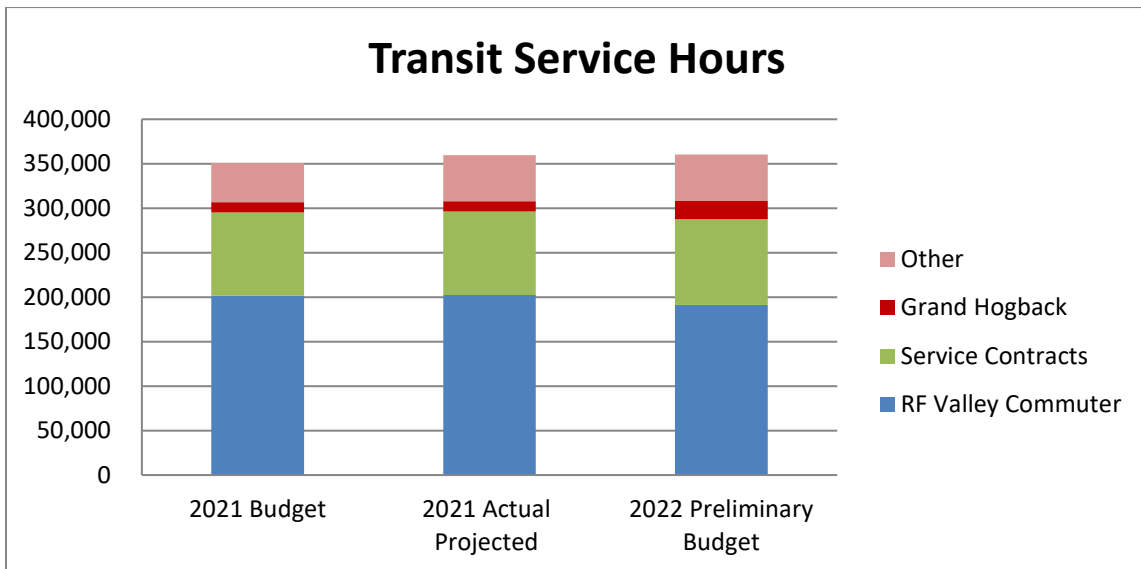
**RFTA BOARD OF DIRECTORS MEETING  
“PRESENTATIONS” AGENDA SUMMARY ITEM # 6. C.**

<b>Meeting Date:</b>	September 9, 2021
<b>Agenda Item:</b>	Presentation of 1 <sup>st</sup> Draft of RFTA 2022 Budget
<b>Strategic Outcome:</b>	4.0 Financial Sustainability
<b>Strategic Objective:</b>	4.1 Ensure accurate budget and accounting
<b>Presented By:</b>	Michael Yang, Chief Financial & Administrative Officer Paul Hamilton, Director of Finance
<b>Recommendation:</b>	Approve prioritization and assumptions of the 2022 Budget with revisions as the Board feels necessary.
<b>Core Issues:</b>	<p>At the August 2021 Board meeting, staff presented the 2022 budget initiatives, assumptions and issues.</p> <p>The 1<sup>st</sup> draft of the 2022 budget has been prepared based on the approved budget initiatives and assumptions. The budget is a work-in-progress and will be refined in September through December as more actual expenditure and revenue data become available, which can affect the General Fund’s current forecast for 2021.</p> <p>The 1<sup>st</sup> draft of the budget will be presented in the following order:</p> <ol style="list-style-type: none"> <li>1. Services</li> <li>2. Challenges, Issues, and Opportunities</li> <li>3. Consolidated Financial Overview</li> <li>4. Estimated Revenue Composition and Assumptions</li> <li>5. Budgeted Expenditures by Program/Department and Assumptions</li> <li>6. Budgeted Other Financing Sources/Uses</li> <li>7. Staffing</li> <li>8. Major Goals</li> <li>9. Fund Balance</li> <li>10. Background information</li> </ol>
<b>Policy Implications:</b>	Board Job Products Policy 2.4.5 states, “The Board will approve RFTA’s annual operating budget (subject to its meeting the criteria set forth in the Financial Planning/Budget policy).”
<b>Fiscal Implications:</b>	Limited resources will require prioritization of Authority projects; revenue and expenditures assumptions could affect Fund balance.
<b>Attachments:</b>	Yes, please see 2022 1 <sup>st</sup> Draft Budget presentation on the following pages.

## 2022 RFTA BUDGET – 1<sup>ST</sup> DRAFT PRESENTATION

### 1. Services:

- The 1<sup>st</sup> draft of the 2022 budget assumes baseline service levels (pre-COVID-19) with updates for seasonal changes.
  - It is assumed that the reservation system for the Maroon Bells Bus Tour services will continue next summer and fall.
  - The initial service plan assumes the Grand Hogback service is scheduled to run at Destination 2040 levels.
- The estimated transit service hours and miles reflect a 0.2% and 2.6% increase from the 2021 projections, respectively.



## **2. Challenges, Issues and Opportunities:**

- The **COVID-19 global pandemic** has disrupted consumer behaviors and supply chains which has resulted in inflationary pressures and an increase in the cost for materials, goods, and fuel. The mountain migration experienced in RFTA's service area as reported last June by the Northwest Colorado Council of Governments has further increased the lack of affordable housing available to sustain the level of full-time workforce needed. The national shortage of bus drivers and workers have further increased the ongoing challenges for RFTA with respect to its hiring needs. These factors are anticipated to have an impact on RFTA's 2022 budget.
- In 2020, RFTA benefited from CARES Act (Phases 1 & 2) grant funds of \$8.5 million, and in 2021, RFTA will benefit from CRRSAA and CARES Act Phase 3 grant funds of \$19.5 million. These **federal stimulus and relief programs** are intended to support the continuance of RFTA's essential regional transit services throughout the COVID-19 pandemic and help offset additional costs incurred and also any revenue shortfalls experienced. These programs allow RFTA to seek reimbursement on eligible costs incurred since early 2020 through 2022. RFTA drew down on the initial \$8.5 million in 2020 and anticipates drawing down on the entire \$19.5 million by the end of 2021 or early 2022. These funds have freed up local revenues that resulted in a surplus in 2020 and a surplus is also anticipated in 2021, both increasing RFTA's fund balance and reserves. The ongoing threat of the COVID-19 pandemic and its impacts are expected to continue. Without any new federal assistance programs, RFTA has a stronger fund balance and level of reserves that it can consider to utilize, as needed, to navigate through the uncertainty in the upcoming year while moving forward with prioritized strategic initiatives.
- The significance and duration of the overall COVID-19 impacts are difficult to reasonably estimate at this time. RFTA plans to continue its **enhanced safety measures** with respect to personal protective equipment, disinfecting & fogging, and capabilities for virtual meetings and teleworking arrangements wherever applicable. Staff will assume 100% of seated capacity on buses and baseline service levels (pre-COVID-19) for the upcoming year; however, staff will continue to monitor the conditions.
- The impacts created by the spread of COVID-19 have had a material **economic impact** within the RFTA service area. So far in 2021, as vaccinations increased, public health orders loosened up and businesses reopened, revenues have been improving. The timing of the recovery is based on several factors including public health safety measures and the consumption of goods and services. Through July collections, sales and use tax revenues have increased by approximately 22% compared to prior year actuals. Through July, regional transit fares have increased by 49% compared to prior year actuals primarily due to increases in demand and the change from 50% to 100% seated capacity in buses in June. However, current year projections trail pre-COVID figures by about 30% or \$1.3 million. Staff will continue to maintain a conservative approach regarding these forecasts.
- As illustrated in the chart below, in order to support the operating plan in the 1<sup>st</sup> draft budget, approximately \$1.3 million of property tax revenues are being used to fill the estimated revenue gaps, leaving approximately \$5.5 million available for capital projects and other strategic initiatives before any recommended use of fund balance. Although the 2018 Ballot Measure 7A, Property Tax Mill Levy Increase references specific uses of associated property taxes, the property tax revenues are not considered legally restricted. Staff will continue to refine the revenue assumptions as more information becomes available and review the operating budget to identify areas for potential cost reductions as needed.



<b>Destination 2040 Funding and Uses included in General Fund:</b>	
<b>Description (1,000's)</b>	<b>2022 Draft Budget</b>
Net Property Tax Revenues	\$ 11,343
Less: Estimated Costs for Service Enhancements	\$ (2,060)
Less: Estimated Debt Service for Capital Lease (bus)	\$ (312)
Less: Estimated Debt Service for Series 2021A Bonds	\$ (1,681)
Less: Estimated Projects	\$ (390)
Less: Amount used to offset estimated revenue shortfalls	\$ (1,320)
<b>Remaining Available Funds</b>	<b>\$ 5,580</b>

- As the Authority's primary funding mechanism, **Sales and Use Tax** revenues can be volatile and growth can vary among our eight member jurisdictions.
  - The Authority relies on each member jurisdiction's Finance Department's assumptions and trend analyses for estimate preparation. Staff corresponded with each Finance Department to obtain their *preliminary* sales tax estimate for 2022. Of the eight jurisdictions, staff has heard back from six and made our own assumptions for the remaining two jurisdictions until new information becomes available. The impacts of the COVID-19 pandemic upon the economy and uncertainty on the duration of its impacts are evidenced by the information received. As a result, the preliminary overall sales tax change is relatively flat in comparison to the 2021 forecast.
  - Use tax is relatively flat compared to the 2021 forecast.
- For the 2021 tax year, with **Property Tax** collections in 2022, the current residential assessment rate of 7.15%, the current commercial assessment rate of 29%, and the full 2.65 mill levy will be assumed for the 2022 budget. Colorado law requires a two-year reassessment cycle for all property, and all properties are reassessed every odd-number year. For the 2021 tax year (2022 collection year), the assessor uses sales data from a 24-month period from July 1, 2018 ending June 30, 2020 to establish real property value. 2022 is a reassessment year. Staff has worked closely with the Assessors in Pitkin, Eagle and Garfield Counties to obtain preliminary assessed valuations and will obtain final assessed valuations when they become available.
- **Transit fuel** prices are known to be volatile. For 2022, management continues to utilize fixed price transit diesel fuel contracts to manage the volatility normally associated with fuel prices. As of March 2021, almost half of RFTA's estimated diesel fuel needs for 2022 have been locked and reflects a price decrease of approximately 7% compared to the 2021 budgeted weighted average. Fuel prices have increased significantly since then and staff continues to work with its fuel vendor to monitor pricing and opportunities to lock additional gallons for 2022. Our current CNG pricing will be assumed in our budget preparations. The Taxpayer Certainty and Disaster Tax Relief Act of 2020, enacted on December 27, 2020, extended the Alternative Fuel Credit through December 31, 2021. RFTA is eligible to submit claims to receive a credit of \$0.50 per gas gallon equivalent of compressed natural gas (CNG) used in its Operations. At this time, there is no indication of legislation extending this tax benefit to 2022. Our current CNG pricing, without any alternative fuel credit, is assumed in our budget preparations.
- **Health care** costs continue to rise and the preliminary estimate for the increase is approximately 10%. The final estimate is anticipated to become available this month. During 2020, as part of RFTA's COVID-19 emergency response plan, RFTA started offering its seasonal workforce high-deductible health insurance, employee-only coverage. RFTA continued this benefit in 2021 and the 2022 reflects this same benefit. Staff will review and analyze various scenarios before recommending any changes to employee contributions and employer contributions to the various plans.

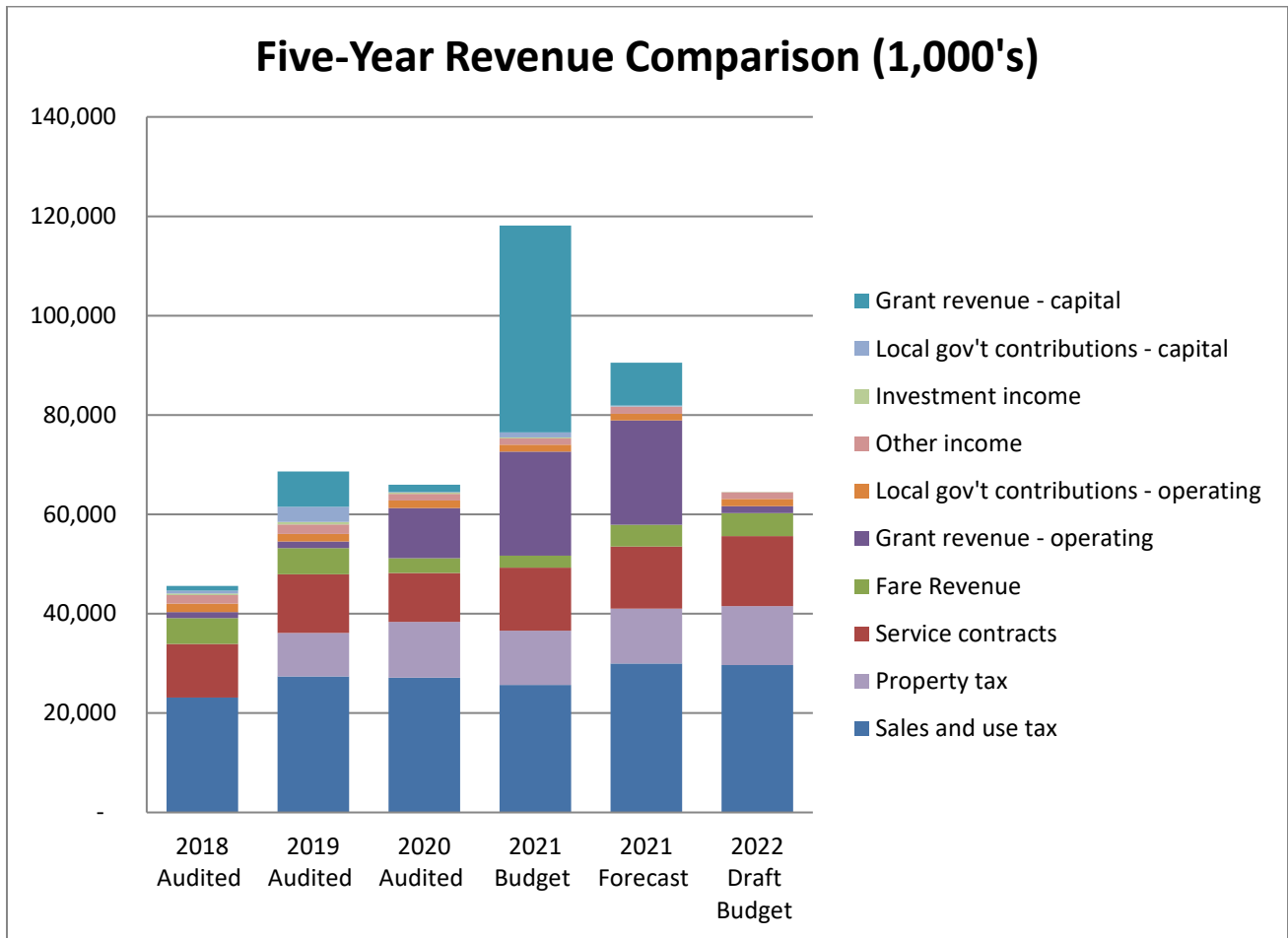
- Historically, the high cost of living in the Roaring Fork Valley has challenged the Authority's ability to hire and retain qualified personnel. Management continues to review and refine RFTA's **compensation** package with respect to wages, incentive programs, and benefit enhancements, including employee housing, in order to remain competitive in the local job market. As part of the biennial compensation review, a market survey has been conducted in July for all positions, with the exception of bus operators (The Collective Bargaining Unit comprised of full-time bus operators is subject to scheduled pay increases in accordance with their contract, which was recently renegotiated and approved by the RFTA Board, effective July 1, 2021). In general, results of the compensation review indicate that the market average increased for almost all pay grades; however, not all grades moved at the same rate. Additional considerations were given for positions identified as mission critical or hard-to-recruit. Staff has discussed and reviewed the market survey results and recommends adjusting compensation accordingly in order to remain competitive with the market.
- With the capital intensive nature of the transit industry, management continues to develop funding strategies for short and long-term **capital needs**. The funding strategy includes a combination of financing options, seeking out grant opportunities, pay-go using fund balance, seeking additional revenue, and reducing operating costs. The **Destination 2040** Plan has secured additional funding through property tax revenues and increased bonding authority. Management has implemented service enhancements and continues with the design/planning efforts and construction for multiple capital projects. RFTA issued bonds in 2021 to fund the upcoming GMF Expansion Project (Phases 3, 4, 5, & 7), Grade Separated Pedestrian Crossings of Highway 82 and 27<sup>th</sup> Street, and 27<sup>th</sup> Street Parking Expansion – Property Acquisition.

### 3. Consolidated Financial Overview:

(1,000's)	General Fund	Service Contracts	Bus Stops/ PNR SRF	Mid Valley Trails SRF	Debt Service Fund	2022 Draft Budget	%
<b>Beginning fund balance (Budget)</b>	\$ 63,491	\$ -	\$ 97	\$ 195	\$ 920	\$ 64,704	
<b>Revenues:</b>							
Sales and use tax	\$ 29,558	\$ -	\$ -	\$ 100	\$ -	\$ 29,658	46%
Property tax	\$ 11,883	\$ -	\$ -	\$ -	\$ -	\$ 11,883	18%
Service contracts	\$ -	\$ 14,100	\$ -	\$ -	\$ -	\$ 14,100	22%
Operating revenue	\$ 4,595	\$ -	\$ -	\$ -	\$ -	\$ 4,595	7%
Grant revenue - operating	\$ 1,402	\$ 30	\$ -	\$ -	\$ -	\$ 1,432	2%
Local gov't contributions - operating	\$ 1,411	\$ -	\$ -	\$ -	\$ -	\$ 1,411	2%
Local gov't contributions - capital	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%
Other income	\$ 723	\$ -	\$ 515	\$ -	\$ 144	\$ 1,382	2%
Investment income	\$ 44	\$ -	\$ -	\$ -	\$ -	\$ 44	0%
<b>Total revenues</b>	<b>\$ 49,616</b>	<b>\$ 14,130</b>	<b>\$ 515</b>	<b>\$ 100</b>	<b>\$ 144</b>	<b>\$ 64,505</b>	<b>100%</b>
<b>Program expenditures:</b>							
Fuel	\$ 1,830	\$ 715	\$ -	\$ -	\$ -	\$ 2,545	4%
Transit	\$ 33,861	\$ 13,569	\$ 1,068	\$ -	\$ -	\$ 48,498	82%
Trails & Corridor Mgmt	\$ 868	\$ -	\$ -	\$ 68	\$ -	\$ 936	2%
<b>Subtotal operating exp.</b>	<b>\$ 36,559</b>	<b>\$ 14,285</b>	<b>\$ 1,068</b>	<b>\$ 68</b>	<b>\$ -</b>	<b>\$ 51,980</b>	<b>88%</b>
Capital	\$ 973	\$ -	\$ -	\$ -	\$ -	\$ 973	2%
Debt Service	\$ 1,530	\$ -	\$ -	\$ -	\$ 4,410	\$ 5,940	10%
<b>Total expenditures</b>	<b>\$ 39,062</b>	<b>\$ 14,285</b>	<b>\$ 1,068</b>	<b>\$ 68</b>	<b>\$ 4,410</b>	<b>\$ 58,893</b>	<b>100%</b>
<b>Other financing sources</b>	<b>\$ -</b>	<b>\$ 154</b>	<b>\$ 553</b>	<b>\$ -</b>	<b>\$ 4,267</b>	<b>\$ 4,974</b>	
<b>Other financing (uses)</b>	<b>\$ (4,974)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (4,974)</b>	
<b>Change in Fund Balance</b>	<b>\$ 5,580</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 32</b>	<b>\$ -</b>	<b>\$ 5,612</b>	
<b>Ending fund balance</b>	<b>\$ 69,071</b>	<b>\$ 0</b>	<b>\$ 97</b>	<b>\$ 227</b>	<b>\$ 920</b>	<b>\$ 70,315</b>	

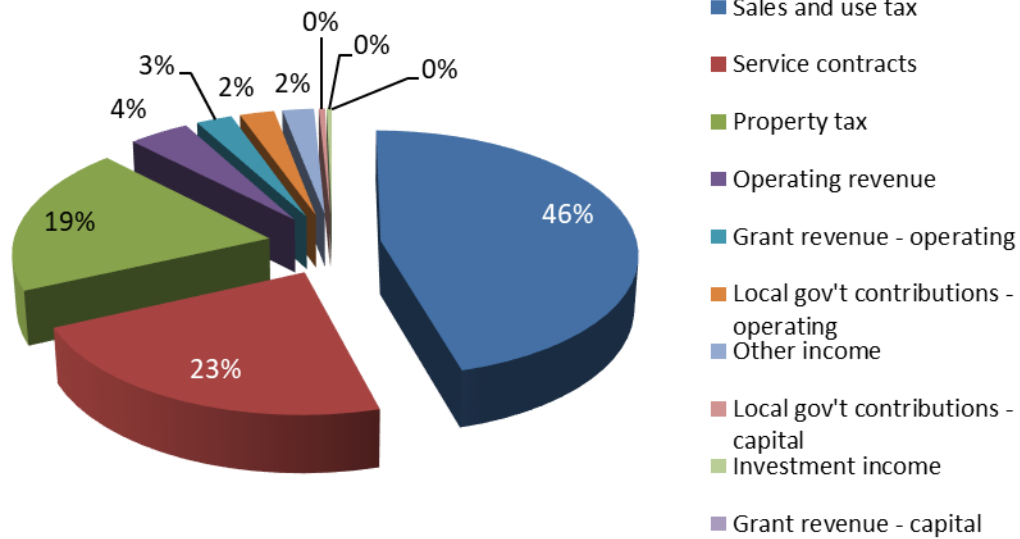
For an explanation of each fund, please refer to the Background section at the end of this report.

#### 4. Estimated Revenue Composition & Assumptions:



Revenues (in thousands)	2018	2019	2020	2021	2021	2022 Draft	22/21 Budget	
	Audited	Audited	Audited	Budget	Forecast	Budget	\$ Dif	% Dif
Sales and use tax	\$ 23,124	\$ 27,366	\$ 27,125	\$ 25,662	\$ 29,999	\$ 29,658	\$ 3,996	16%
Property tax	-	8,794	11,232	10,945	11,016	11,883	938	9%
Service contracts	10,808	11,773	9,827	12,642	12,540	14,100	1,458	12%
Fare Revenue	5,156	5,280	2,982	2,427	4,368	4,595	2,168	89%
Grant revenue - operating	1,244	1,346	10,117	20,979	20,979	1,432	(19,547)	-93%
Local gov't contributions - operating	1,736	1,482	1,523	1,374	1,374	1,411	37	3%
Other income	1,682	1,920	1,332	1,250	1,361	1,382	132	11%
Investment income	332	518	248	201	45	44	(157)	-78%
<b>Subtotal Revenues - Operating</b>	<b>44,084</b>	<b>58,480</b>	<b>64,386</b>	<b>75,480</b>	<b>81,681</b>	<b>64,505</b>	<b>(10,975)</b>	<b>-15%</b>
Local gov't contributions - capital	535	3,017	103	997	216	-	(997)	-100%
Grant revenue - capital	981	7,145	1,508	41,668	8,642	-	(41,668)	-100%
<b>Subtotal Revenues - Capital</b>	<b>1,515</b>	<b>10,163</b>	<b>1,611</b>	<b>42,665</b>	<b>8,858</b>	<b>-</b>	<b>(42,665)</b>	<b>-100%</b>
<b>Total</b>	<b>\$ 45,599</b>	<b>\$ 68,642</b>	<b>\$ 65,997</b>	<b>\$ 118,145</b>	<b>\$ 90,539</b>	<b>\$ 64,505</b>	<b>\$ (53,640)</b>	<b>-45%</b>

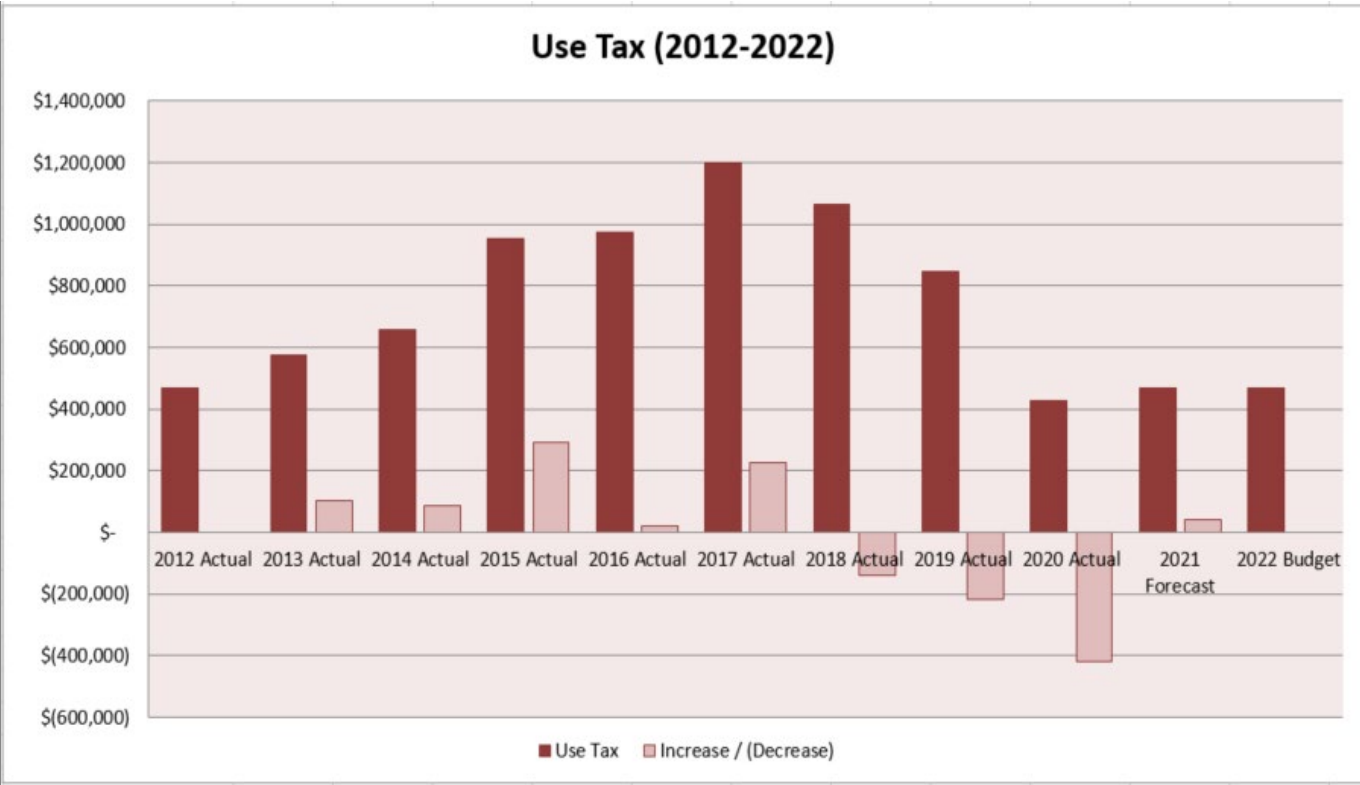
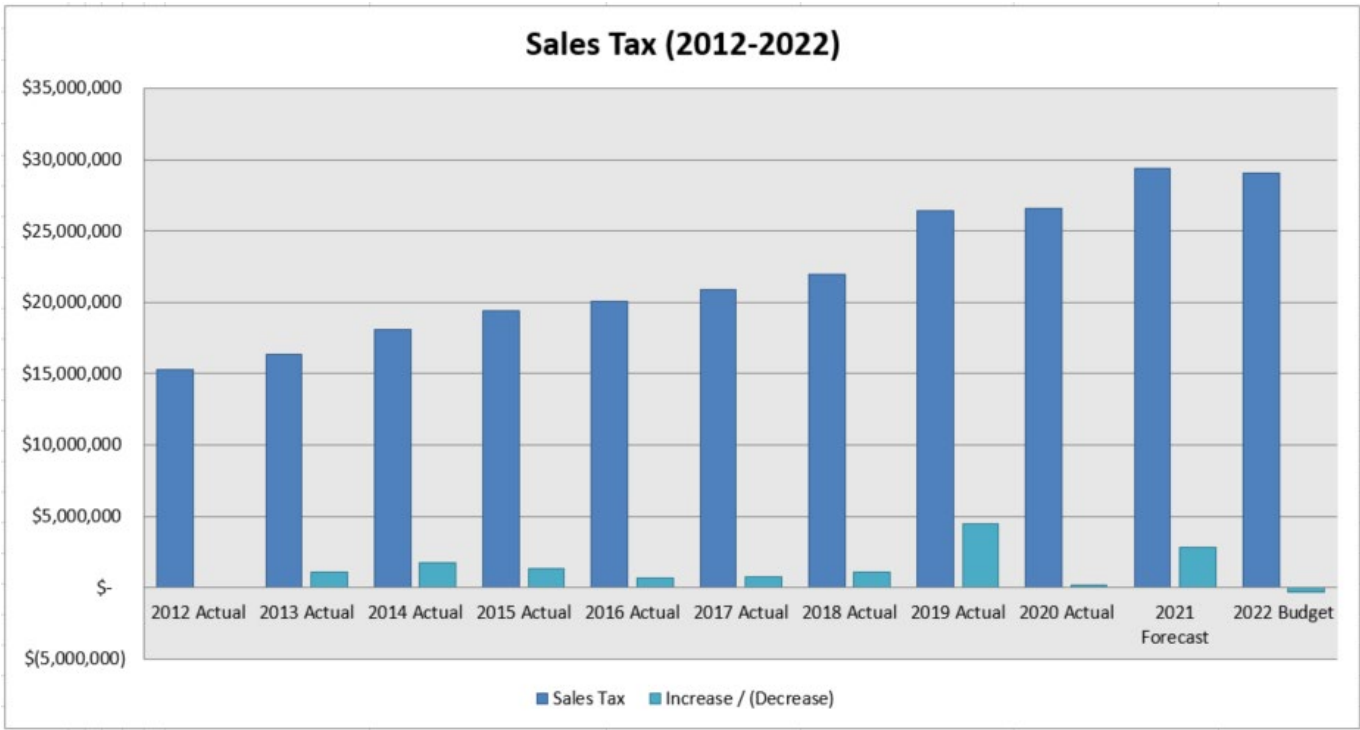
## 2022 Estimated Revenue Composition



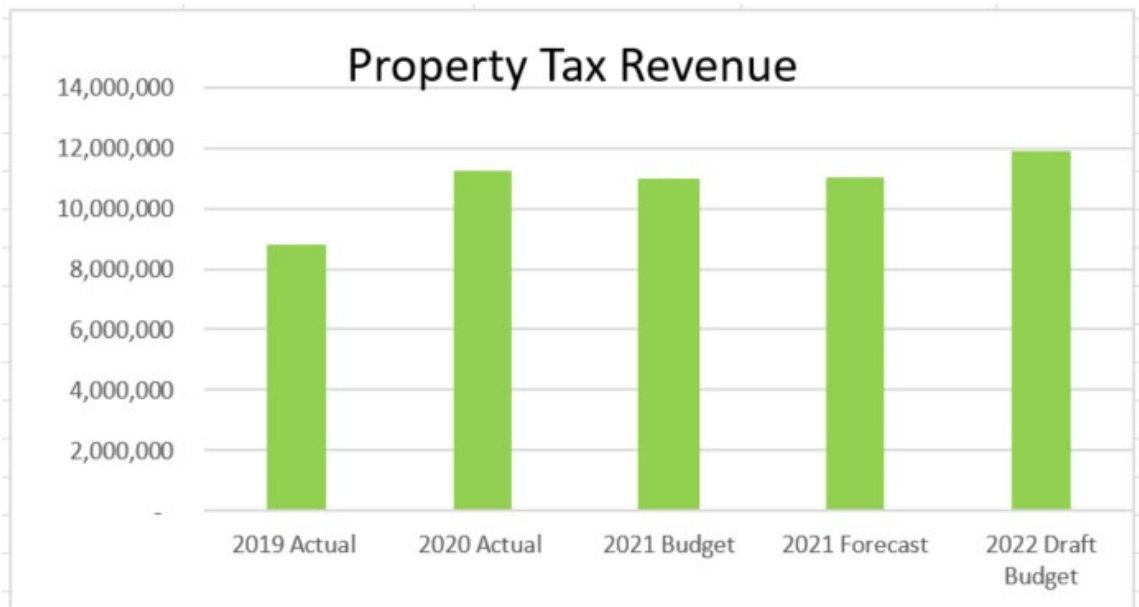
- **Sales Tax** revenues are dedicated taxes collected from member jurisdictions based on Intergovernmental Agreements. The chart below shows *preliminary* estimates by jurisdiction as of August 2021:

Member Jurisdictions	2022 % Increase / (Decrease)
Aspen	+6%
Basalt*	0%
Carbondale*	0%
Glenwood Springs	0%
Eagle County	0%
New Castle	+3%
Pitkin County	(4%)
Snowmass Village	+16%

\*RFTA-derived estimate, awaiting estimate from jurisdiction



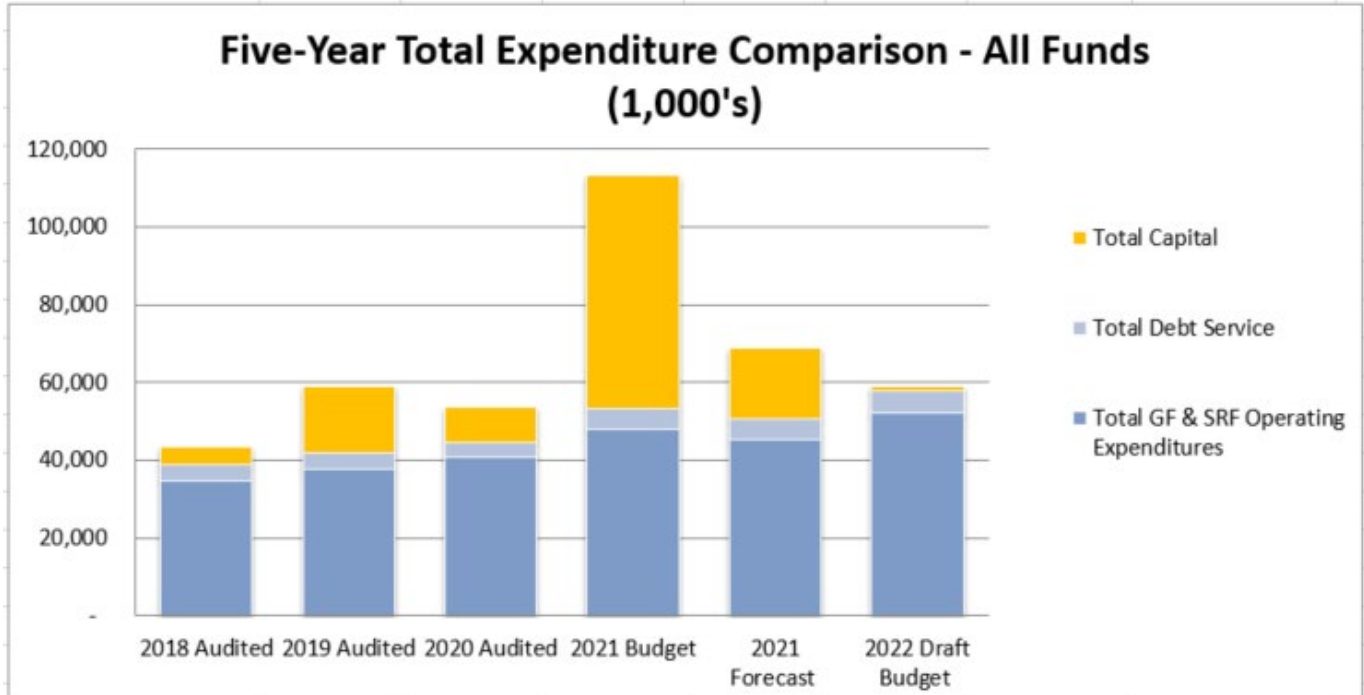
- **Property Tax Revenues** are collected by the County Treasurer in Pitkin, Eagle and Garfield Counties within RFTA's member jurisdictions. Based on the preliminary data received from Pitkin, Eagle and Garfield Counties, the changes in preliminary assessed property values are 8.4%, 12.2% and 7.9%, respectively, within RFTA's district. Final certifications of assessed valuations will occur in December.



- **Service Contract Revenues** are derived from contracted transit services, which are billed monthly based on miles and hours by route. The Authority has service contract agreements with the Aspen Skiing Company, the City of Aspen, the City of Glenwood Springs and Garfield County (Travelers Program);
  - The Authority estimated hours and miles by route for each service contract agreement and calculated costs in accordance with each service contract agreement. Staff continues to work closely with its partners to make any modifications to the service levels as they become known.
- **Operating Revenues** reflect transit fares collected primarily on regional routes traveling on Highway 82 and the I-70 Corridor, as well as fares related to the Maroon Bells Shuttle;
  - At this time, staff projects a 49% increase in regional fare collections in 2021 compared to 2020 actuals. The increase is primarily due to higher levels in demand and the change in restriction from 50% to 100% seated capacity on buses. For 2022, fare revenues reflect a 5% increase and assume 100% seated capacity on buses will continue. However, the 2022 budget estimate for regional fares represents roughly 75% of pre-COVID fares collected in 2019.
  - At this time, there is no fare adjustment assumed, other than the \$1 flat fare for youths 6 – 18 years of age adopted at the August 2021 Board Meeting. Any fare changes directed by the Board will be considered and implemented following a 30-day public comment period and a Public Hearing.
- The Authority receives **operating and capital grant revenues** from the Federal Transit Administration and the Colorado Department of Transportation;
  - \$1,201,678 from the **FTA Section 5311 operating grant** (flat from 2021; 2022 grant amounts are anticipated to be awarded in September 2022);

- \$200,000 from **CDOT FASTER operating grant** (flat from 2021; 2022 grant amounts are anticipated to be awarded in September 2022);
- Staff will be seeking capital grant funds to help fund various capital needs. Funds will be appropriated after grants have been awarded. Additional grant revenues may be added by the final budget.
- **Local Governmental Contributions** are received to primarily help fund transit programs;
  - Assumes that the **Elected Officials Transportation Committee (EOTC)** continues to provide funding for the no-fare Aspen/Snowmass regional transit service. Using the agreed-upon methodology, the calculated contribution is approximately \$850,898 and is reflected in the budget. However, staff is considering the EOTC's request for RFTA to assume all or a portion of the no-fare service fare offset due to reductions in EOTC revenues as a result of the tax law change from HB19-1240. A third party consultant has been utilized by RFTA staff to provide an analysis of the potential for the transfer of the No-Fare service fare offset from the EOTC to RFTA. The findings from the report are presented in a separate agenda item summary included in this Board Agenda Packet. After Board discussion, staff anticipates making a recommendation to the Board for its consideration prior to 2022 budget finalization.
  - Assumes that **Garfield County's** support for the Grand Hogback bus service remains the same in 2022 as 2021, in the amount of \$500,000. RFTA and the County are in contact regarding any potential change in contribution in light of anticipated budgetary constraints.
  - Assumes that the **City of Rifle's** support for the Grand Hogback bus service will remain the same at \$20,000.
- **Other Income** primarily consists of employee housing rental revenue in the General Fund, vehicle registration fees in the Bus Stop/Park & Ride Special Revenue Fund, and credits from the Federal Government representing a reimbursement on a portion of the interest paid on the Series 2012A Qualified Energy Conservation Bonds in the Debt Service Fund.
  - Assumes employee housing rental revenue will see an 8% increase primarily due to the anticipation that more units needed.
  - Assumes vehicle registration fees will remain the same.
  - Assumes a 5.7% sequestration rate on refundable credits applicable to the Authority's Build America Bonds and the Qualified Energy Conservation Bonds. The sequestration rate is subject to change.

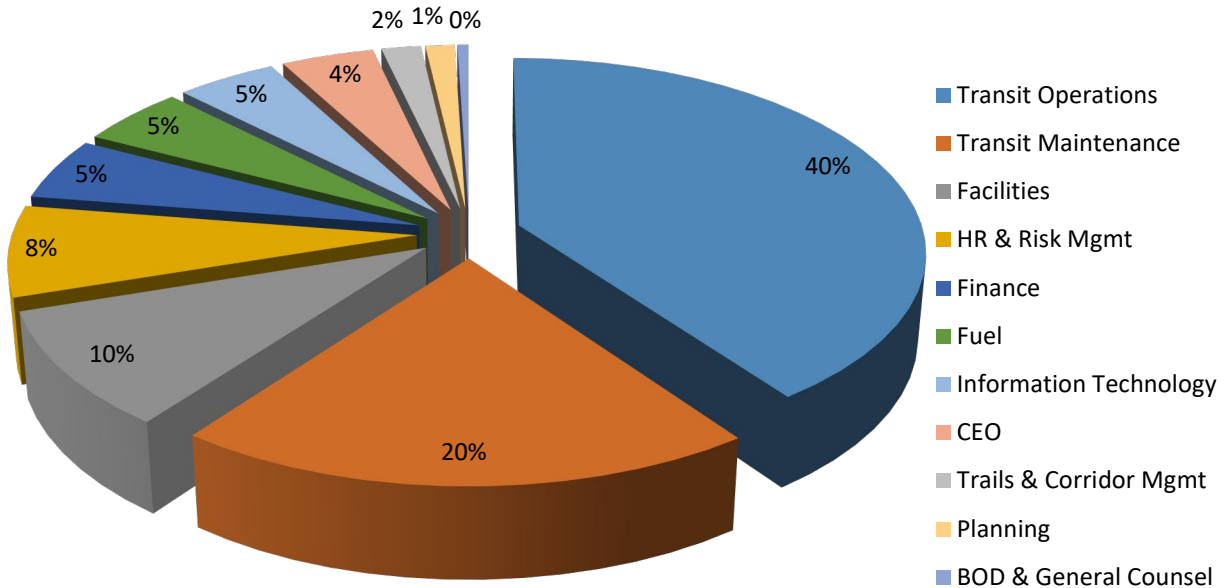
## 5. Expenditure by Program/Department & Assumptions:



Expenditures (in thousands)	2018 Audited	2019 Audited	2020 Audited	2021 Budget	2021 Forecast	2022 Draft Budget	22/21 Budget	
							\$ Dif	% Dif
Fuel	1,095	1,670	820	1,564	1,318	1,830	266	17%
Transit Maintenance	4,745	5,009	6,309	7,034	5,941	7,598	565	8%
Transit Operations	9,065	9,687	11,875	13,230	12,821	14,589	1,359	10%
Administration	5,096	5,775	7,071	8,291	7,608	8,611	320	4%
Facilities	2,211	2,088	2,957	3,017	2,905	2,872	(144)	-5%
Attorney & Board of Directors	142	185	172	157	199	190	33	21%
Trails & Corridor Mgmt	469	456	548	671	611	868	198	29%
<b>Total GF Operating Expenditures</b>	<b>\$ 22,824</b>	<b>\$ 24,870</b>	<b>\$ 29,752</b>	<b>\$ 33,963</b>	<b>\$ 31,404</b>	<b>\$ 36,559</b>	<b>\$ 2,596</b>	<b>8%</b>
SRF - Service Contracts	10,987	11,944	10,062	12,841	12,738	14,285	1,444	11%
SRF - Bus Shelter / PNR	716	813	850	1,045	954	1,068	23	2%
SRF - Mid Valley Trails	21	71	52	55	36	68	13	24%
<b>Total GF &amp; SRF Operating Expenditure:</b>	<b>\$ 34,547</b>	<b>\$ 37,697</b>	<b>\$ 40,716</b>	<b>\$ 47,904</b>	<b>\$ 45,131</b>	<b>\$ 51,980</b>	<b>\$ 4,076</b>	<b>9%</b>
GF - Debt Service	1,493	1,522	971	2,773	2,609	1,530	(1,243)	-45%
Debt Service Fund	2,950	2,660	2,733	2,729	2,729	4,410	1,681	62%
<b>Total Debt Service</b>	<b>\$ 4,443</b>	<b>\$ 4,182</b>	<b>\$ 3,705</b>	<b>\$ 5,502</b>	<b>\$ 5,338</b>	<b>\$ 5,940</b>	<b>\$ 438</b>	<b>8%</b>
<b>Total Operating &amp; Debt Service</b>	<b>\$ 38,990</b>	<b>\$ 41,879</b>	<b>\$ 44,420</b>	<b>\$ 53,406</b>	<b>\$ 50,469</b>	<b>\$ 57,920</b>	<b>\$ 4,513</b>	<b>8%</b>
GF - Capital Outlay	4,563	14,978	5,213	57,718	16,160	973	(56,745)	-98%
SRF - Bus Shelter / PNR - Capital Outlay	16	7	-	-	-	-	-	0%
Capital Projects Fund	-	2,244	4,205	2,241	2,241	-	(2,241)	0%
<b>Total Capital</b>	<b>\$ 4,578</b>	<b>\$ 17,228</b>	<b>\$ 9,417</b>	<b>\$ 59,958</b>	<b>\$ 18,400</b>	<b>\$ 973</b>	<b>\$ (58,985)</b>	<b>-98%</b>
<b>Total Expenditures - all funds</b>	<b>\$ 43,568</b>	<b>\$ 59,107</b>	<b>\$ 53,838</b>	<b>\$113,364</b>	<b>\$ 68,870</b>	<b>\$ 58,893</b>	<b>\$ (54,472)</b>	<b>-48%</b>



## 2022 Budgeted Operating Expenditures by Department



Department	Fund				2022 Draft Budget	%
	General Fund	Service Contracts	Bus Stops/ PNR SRF	Mid Valley Trails SRF		
Fuel	\$ 1,830	\$ 715	\$ -	\$ -	\$ 2,545	5%
Transit Maintenance	\$ 7,598	\$ 2,900	\$ -	\$ -	\$ 10,498	20%
Transit Operations	\$ 14,589	\$ 6,229	\$ -	\$ -	\$ 20,819	40%
CEO	\$ 1,595	\$ 607	\$ -	\$ -	\$ 2,202	4%
Finance	\$ 1,945	\$ 740	\$ -	\$ -	\$ 2,684	5%
Planning	\$ 501	\$ 190	\$ -	\$ -	\$ 691	1%
HR & Risk Mgmt	\$ 2,845	\$ 1,082	\$ -	\$ -	\$ 3,927	8%
Information Technology	\$ 1,727	\$ 657	\$ -	\$ -	\$ 2,383	5%
Facilities	\$ 2,872	\$ 1,092	\$ 1,068	\$ -	\$ 5,032	10%
BOD & General Counsel	\$ 190	\$ 72	\$ -	\$ -	\$ 262	1%
Trails & Corridor Mgmt	\$ 868	\$ -	\$ -	\$ 68	\$ 936	2%
<b>Total</b>	<b>\$ 36,559</b>	<b>\$ 14,285</b>	<b>\$ 1,068</b>	<b>\$ 68</b>	<b>\$ 51,980</b>	<b>100%</b>

- **Compensation Adjustments:**

- The Collective Bargaining Unit (CBU) comprised of full-time bus operators is subject to a scheduled pay increase, corresponding to each employee’s anniversary date in accordance with the Collective Bargaining Agreement (CBA). Assuming 185 full-time bus operators, the increase results in an additional cost of approximately \$817,000.
- Based on the market survey results from the biennial compensation review for non-CBU employees, the budget reflects an additional cost of approximately \$874,000 based on the wage adjustment assumptions in the following order:
  - **New minimum adjustments** at the first full payroll of the year to bring anyone under the new wage range up to the new minimum.
  - **Market adjustments** to salary grades generally reflect midpoint movements (ranging from 2% to 7%) at the first full payroll of the year. The average increase applied was 3% with the exception of mission critical or hard-to-recruit positions.
    - For **“Mission Critical”** or **“Hard-to-Recruit”** positions identified by management, market adjustments were applied based on midpoint movements of each position (ranging from 2% to 18%) at the first full payroll of the year. The average increase applied for these positions is estimated to be approximately 8%.
- For positions outside of the CBU, the budget assumes a merit increase of up to 4% effective at each employee’s annual performance review date, resulting in an additional cost of approximately \$331,000. As a reference, the chart below illustrates the impacts of several merit increase scenarios:

<b>Merit Increase Analysis (1,000's)</b>				
<b>Merit Increase Scenario</b>	<b>General Fund</b>	<b>Bus Stop/PNR SRF</b>	<b>Service Contract SRF (Traveler)</b>	<b>Total</b>
1.0%	\$ 79	\$ 2	\$ 1	\$ 83
	0.29%	0.68%	0.23%	0.29%
2.0%	\$ 159	\$ 4	\$ 3	\$ 166
	0.58%	1.36%	0.69%	0.59%
3.0%	\$ 237	\$ 6	\$ 5	\$ 248
	0.86%	2.04%	1.16%	0.88%
4.0%	\$ 317	\$ 8	\$ 7	\$ 331
	1.15%	2.72%	1.62%	1.17%

- The Authority received four **Request for Funding Applications**, two of which were multi-year funding requests that the RFTA Board had approved during the last budget cycle. The budget currently reflects the following:
  - \$190,000 from **WE-cycle**, a 501(c)(3) non-profit organization serving Aspen and Basalt to support bike sharing operations. Funds will be used to help support WE-cycle’s strategic and operational direction, structure, and planning efforts to benefit existing and future bike share services within the Roaring Fork Valley. These funds will provide WE-cycle with essential

stability as it plans for its services year over year by allowing WE-cycle to retain year-round office space and support high-level director level positions to provide for a stable and consistent organizational framework. **Four years ago, WE-cycle applied for a five-year funding request of \$100,000/year which the Board approved. This is year five of the five-year funding request. In addition, WE-cycle is requesting an additional \$90,000 to continue supporting the expense of a two-thirds' time Finance Director in order to enable its Executive Director to continue working on WE-cycle/RFTA integration and planning efforts to ensure the long-range sustainability of existing and future regional bike share services.**

- \$30,000 from **Garfield Clean Energy (GCE)** to support three key program areas and projects: (1) Active Energy Management consultation services to RFTA for its facilities, and hosting of RFTA facilities on the Building Energy Navigator website. (2) Programs to promote and increase availability/use of multi-modal transportation, and adoption of electric and CNG vehicles. (3) Organizational administration, outreach, education, website and reporting. **GCE applied for a three-year funding request of \$30,000/year which the Board approved during the last budget cycle. This amount represents year two of the three-year funding request.**
  - \$5,000 from **Lower Valley Trail Association (LoVa)** in order to support the current effort on the 8.5 mile segment of the LoVa South Canyon Trail between West Glenwood Springs and New Castle, and assist with the feasibility of the Coal Ridge Trail connecting New Castle and Silt with Coal Ridge High School.
  - \$4,000 from **Northwest Colorado Council of Governments** to help fund the match for their Section 5310 Mobility Management grant from CDOT.
- Approximately \$973,000 of **capital outlay** has been budgeted:

Capital Expenditure by Project	
Description (1,000's)	Total Outlay
<b>General Fund</b>	
<b>Transit</b>	
IT Equipment/software	\$ 284
Bus engine/transmission rebuilds	\$ 375
<b>Subtotal Transit</b>	<b>\$ 659</b>
<b>Trails</b>	
Trail Improvements	\$ 300
Trail Equipment	\$ 14
<b>Subtotal Trails</b>	<b>\$ 314</b>
<b>Total</b>	<b>\$ 973</b>

- The project list is very preliminary as it includes some recurring capital needs, primarily related to engine and transmission rebuilds, various IT equipment, and small Trails equipment.
  - Staff developed a list of projects that have been prioritized based on the strategic initiatives identified by the RFTA Board. As staff continues to refine the revenue assumptions and operating budget over the course of the budget planning process, the project list will be updated to include projects deemed to be high priorities in 2022.
- Certain expenditures may be added into the budget through supplemental budget appropriation resolutions during the budget year when funding is available in the case where actual revenues exceed

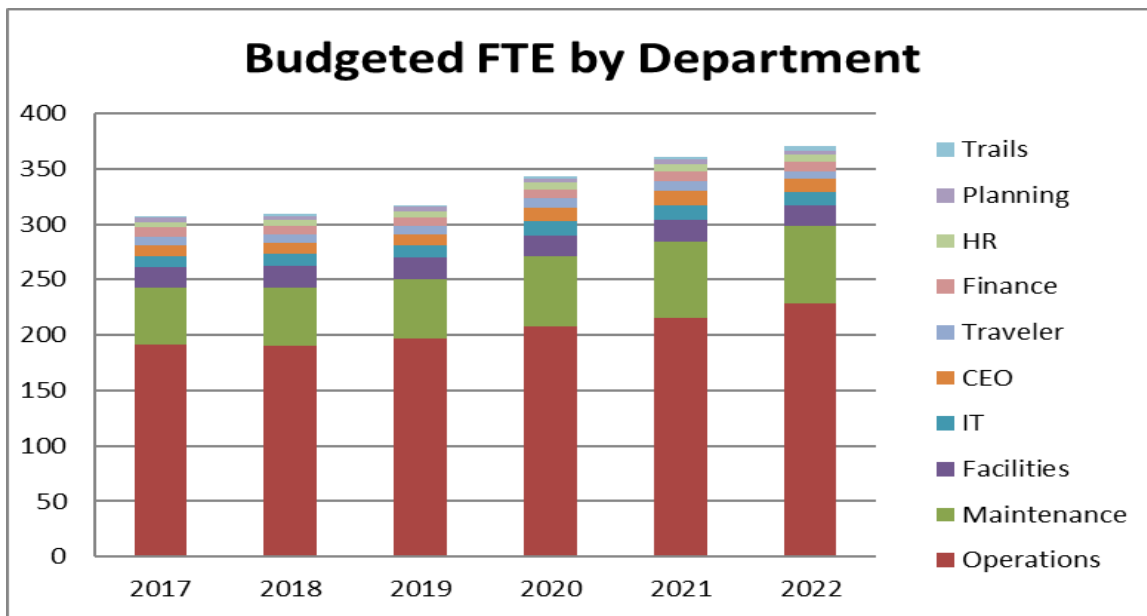
projections or capital grants are awarded. Also, it is anticipated that a significant amount of unexpended 2021 capital funds will be rolled forward into the 2022 budget following year-end.

**6. Other Financing Sources and Uses Assumptions:**

- Approximately \$553,000 of current available resources is budgeted to be transferred from the General Fund to the **Bus Stops/Park and Ride** Special Revenue Fund to fund the costs to operate and maintain the BRT stations & park and rides and other stops.
- RFTA will continue to contribute to the **Traveler Program** on behalf of its members located in Garfield County as reflected by the budgeted transfer of approximately \$154,400 of current available resources from the General Fund to the Service Contract Special Revenue Fund. The 2022 Traveler budget is still being developed, so RFTA’s share could change once the budget is finalized.
- In accordance with bond resolutions, approximately \$4.27 million of current available resources will be transferred from the General Fund to the **Debt Service** fund which will be used to fund current debt service payments on RFTA’s outstanding bonds from 2012, 2013, 2019 and 2021.

**7. Staffing:**

- Assumes 370.4 full-time equivalents (FTEs) compared to 360.9 budgeted in 2021.



- Increase to 185 Full-time bus operators
- Non-Seasonal Bus Cleaners continue to be budgeted in 2022
- Updated allocation of staff between time spent on Facilities and Trails work

## 8. Major Goals:

- Continue providing essential transit services to support the regional workforce and economy during the unprecedented COVID-19 pandemic.
- Implement compensation adjustments in order to hire and retain RFTA's valued workforce.

Staff will plan to identify high priority projects and strategic initiatives for 2022. Notable projects included in the 2021 budget, but not completed due to timing, are expected to be continued in 2022:

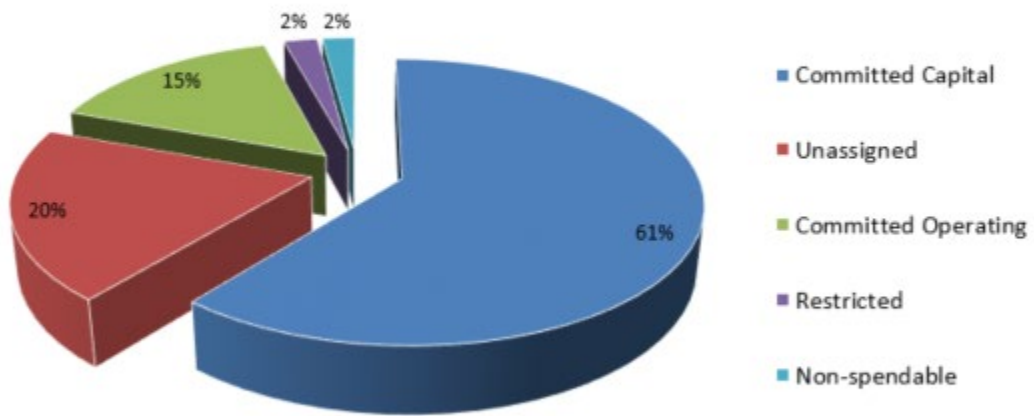
- Glenwood Maintenance Facility (GMF) Expansion Phases 3,4, 5, & 7
- Grade Separated Pedestrian Crossings of Highway 82 and 27<sup>th</sup> Street in Glenwood Springs
- Bus Replacements
- RFTA Housing Replacement Design
- Rio Grande Trail Improvements
- Contribution to EOTC for Brush Creek Park and Ride Improvement Project
- Contribution to City of Aspen for Paepcke Transit Hub Project

## 9. Fund Balance:

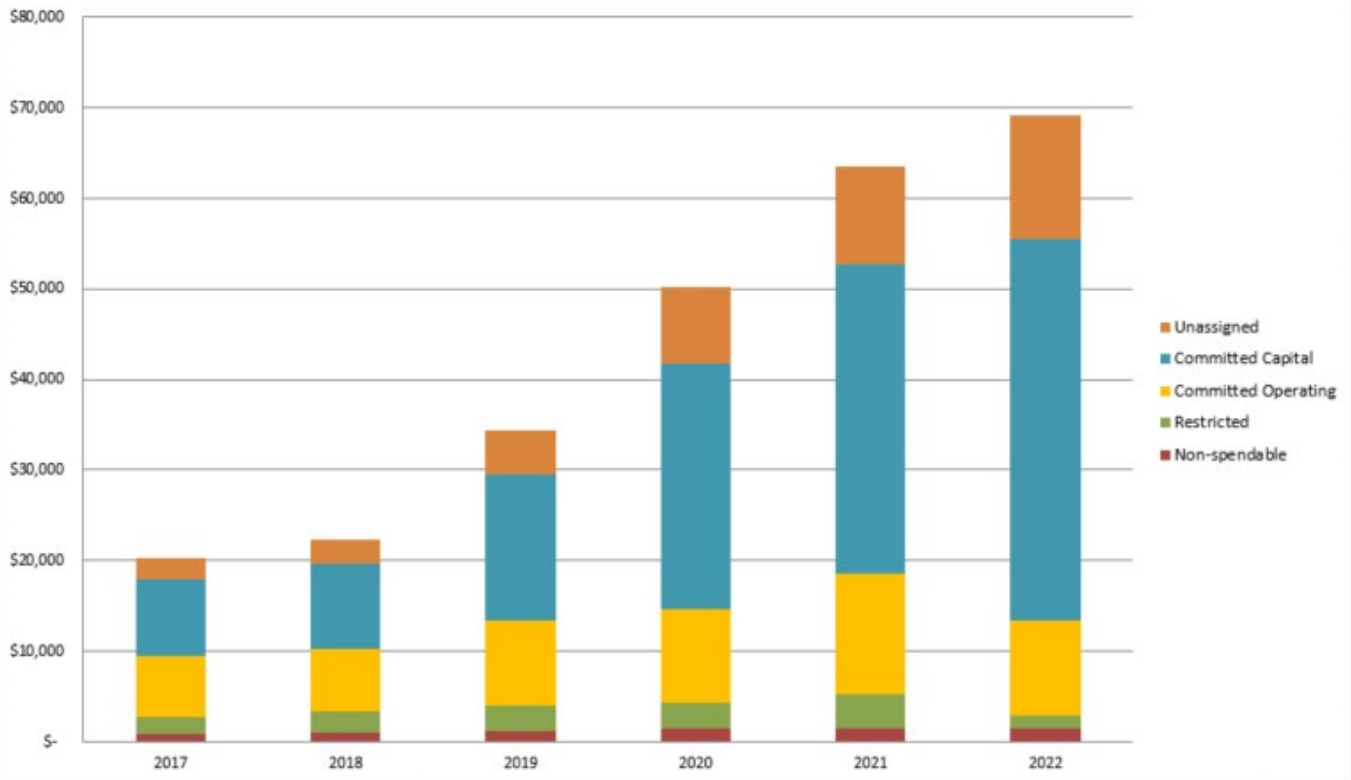
	General	Service	Bus	Mid	Capital	Debt	
(1,000's)	Fund	Contracts	Stops/ PNR	Valley Trails	Projects Fund	Service Fund	Total
<b>Beginning fund balance (budget)</b>	\$ 63,491	\$ -	\$ 97	\$ 195	\$ -	\$ 920	\$ 64,703
Revenues	\$ 49,616	\$ 14,130	\$ 515	\$ 100	\$ -	\$ 144	\$ 64,505
Expenditures	\$ (39,062)	\$ (14,285)	\$ (1,068)	\$ (68)	\$ (0)	\$ (4,410)	\$ (58,893)
Other financing source/(use)	\$ (4,974)	\$ 154	\$ 553	\$ -	\$ -	\$ 4,267	\$ -
<b>Change in net assets</b>	<b>\$ 5,580</b>	<b>\$ 0</b>	<b>\$ -</b>	<b>\$ 32</b>	<b>\$ (0)</b>	<b>\$ -</b>	<b>\$ 5,612</b>
<b>Ending fund balance</b>	<b>\$ 69,071</b>	<b>\$ 0</b>	<b>\$ 97</b>	<b>\$ 227</b>	<b>\$ (0)</b>	<b>\$ 920</b>	<b>\$ 70,315</b>
<b>Ending fund balance composition:</b>							
<b>Non-spendable fund balance</b>	\$ 1,436						\$ 1,436
<b>Restricted fund balance</b>	\$ 1,488	\$ 0	\$ 97	\$ 227	\$ -	\$ 920	\$ 2,732
<b>Committed fund balance:</b>							
Operating reserves	\$ 10,481						\$ 10,481
Facilities capital reserves	\$ 8,710						\$ 8,710
Transit capital reserves	\$ 30,840						\$ 30,840
Trails capital reserves	\$ 2,559						\$ 2,559
<b>Unassigned fund balance</b>	\$ 13,557						\$ 13,557
<b>Ending fund balance</b>	<b>\$ 69,071</b>	<b>\$ 0</b>	<b>\$ 97</b>	<b>\$ 227</b>	<b>\$ -</b>	<b>\$ 920</b>	<b>\$ 70,315</b>

**Fund balance** is the difference between assets and liabilities and is divided between Non-spendable and Spendable. **Non-spendable** fund balance includes amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints. **Spendable** fund balance is comprised of Restricted, Committed and Unassigned fund balance. **Restricted** fund balance includes amounts that are constrained for specific purposes that are externally imposed by providers. **Committed** fund balance includes amounts that are constrained for specific purposes that are internally imposed by the Board. **Unassigned** fund balance includes residual amounts that have not been classified within the previously mentioned categories and is a measure of current available financial resources.

## 2022 Projected General Fund Fund Balance Composition



## General Fund's Fund Balance History (1,000's)



## **10. Background information:**

### **Fund and fund structure**

The Authority Budget and Financial Statement are reported in accordance with generally accepted accounting principles on a modified accrual basis of accounting. All Funds are appropriated.

**The General Fund** reports operating activity for regional Valley, Grand Hogback and miscellaneous Transit, Trails and Administrative Support services. Additionally, most Capital and Debt Service activity are reported in the General Fund, unless resolution requires otherwise.

**The Service Contract Special Revenue Fund** reports revenue and operating activity for additional services based on contractual agreement. These services are extra services provided in certain areas within the overall Authority service area.

**Bus Stop and Park n Ride Special Revenue Fund** reports vehicle registration fee revenue and bus stops and park n ride expenditure activity as required by State rural transit authority enabling legislation. Additionally, by resolution, Garfield County has dedicated certain development fees to construct bus stops and park n ride improvements in unincorporated Garfield County.

**Mid Valley Trails Special Revenue Fund** reports activity for certain trails activities within Eagle County. As a condition of becoming a member of the Authority, Eagle County dedicated an existing ½ cent sales tax to the Authority. Part of the sales tax was dedicated to trails. In June of 2002 the Authority by resolution adopted the Eagle County Mid Valley Trails Committee. The Committee administers all aspects of appropriating the funds and the Authority provides accounting of the funds and other services as requested by the Committee.

**Capital Project Fund** reports activity for a variety of Capital Projects related to transit assets and infrastructure such as the Battery Electric Bus Pilot program, GMF Vehicle Maintenance Expansion Project, AMF Phase 9 Fuel Farm Replacement Project, and SH82 Mid-Valley Bus Stop Improvements Project. Projects funded through 2019 and 2021 bond proceeds contain expenditures that are certain and specific in accordance with State and Federal tax law as identified by Bond Counsel.

### **Debt Service Fund:**

- **The Series 2012A Debt Service Fund** reports all principal and interest expenditures for the \$6.65 million Qualified Energy Conservation Bonds issuance (QECCB) and interest earned as required by resolution. The QECCBs allow a Federal reimbursement for 70% of the Qualified Tax Credit Rate of the interest paid.
- **The Series 2013B Debt Service Fund** reports all principal and interest expenditures for the \$1.3 million QECCB issuance and interest earned as required by resolution. The QECCBs allow a Federal reimbursement for 70% of the Qualified Tax Credit Rate of the interest paid.
- **The Series 2019 Debt Service Fund** reports all principal and interest expenditures for the \$24.545 million bond issuance and interest earned as required by resolution. This is a tax-exempt issuance.
- **The Series 2021A Debt Service Fund** reports all principal and interest expenditures for the \$28.78 million bond issuance and interest earned as required by resolution. This is a tax-exempt issuance.
- **Reserve Fund** reports all activity related to the required reserves for the Series 2009, Series 2012, Series 2013 Bonds, Series 2019 Bonds, and Series 2021 Bonds and interest earned as required by resolution.

**RFTA BOARD OF DIRECTORS MEETING**  
**“INFORMATION/UPDATES” AGENDA SUMMARY ITEM # 7. A.**

**CEO REPORT**

**TO:** RFTA Board of Directors  
**FROM:** Dan Blankenship, CEO  
**DATE:** September 9, 2021

**CEO Succession Plan Update:** I am currently working on performance reviews for the COO and CFAO in which specific succession planning activities and goals will be developed for each individual. I will also identify specific tasks currently handled by me that I will delegate to each of them. The plan is to deliver the performance reviews during the month of September. A more detailed update will be provided in October.

**Chief Operating Officer Update, September 2021: Kurt Ravenschlag, COO**

**RFTA 2021 Work Plan for Destination 2040 Implementation**

**E1 - Bus Replacement – Six, 45’ Coach Buses**

Total Project: \$4,200,000	2021 Budget: \$4,512,000	% Complete: 95%
RFTA Share: \$840,000	RFTA Balance: \$67,673,000	Last Updated: August 2021
<ul style="list-style-type: none"> <li>2020 Budget included funding to purchase 6 replacement two door over the road coach buses. This budget is requested to be rolled forward to the 2021 Budget in a March Board meeting supplemental appropriation.</li> </ul>		<ul style="list-style-type: none"> <li>5 buses delivered</li> <li>Remaining 6th bus is still in production</li> </ul>

**E1 - Bus Replacement – Ten, 40’ clean diesel, low floor buses**

Total Project: \$5,550,000	2021 Budget: \$5,550,000	% Complete: 100%
RFTA Share: \$5,550,000	RFTA Balance: \$62,123,000	Last Updated: June 2021
<ul style="list-style-type: none"> <li>2020 Budget includes funding to purchase 10 replacement low floor clean diesel buses. This budget is requested to be rolled forward to the 2021 Budget in a March Board meeting supplemental appropriation.</li> </ul>		<ul style="list-style-type: none"> <li>All 10 buses have been delivered and placed into service.</li> </ul>

**E2 - Bike Share Expansion**

Total one time RFTA Capital: \$1,270,750	2020 Capital Budget: \$0	%Complete: 20%
Total Annual RFTA O&M: \$550,000	2021 O&M Budget: \$200,000	Last Updated: September 2021
RFTA Capital Balance: \$1,270,750		
<ul style="list-style-type: none"> <li>2021 Budget includes \$200,000 for a Bike Share Expansion and First and Last Mile Planning Study.</li> </ul>		<ul style="list-style-type: none"> <li>Developing community types for first and last mile efforts</li> <li>Organizing community feedback from summer outreach efforts</li> <li>Evaluating Governance models, cost allocations and completing peer city interviews.</li> </ul>



### E5 - Rio Grande Trail Maintenance

Total Project: \$5,958,000	2021 Budget: \$300,000	% Complete: 10%
RFTA Share: \$5,958,000	RFTA Balance: \$4,983,000	Last Updated: September 2021
<ul style="list-style-type: none"> <li>2021 budget includes \$300,000 to go towards asphalt repair, fencing, rock scaling, shoulder improvements and culvert maintenance</li> </ul>		Construction to begin 09/06 and complete by 11/1.

### C2 - Bus Expansion – Five, 40’ clean diesel, low floor buses

Total Project: \$2,775,000	2020 Budget: \$2,775,000	% Complete: 100%
RFTA Share: \$2,775,000	RFTA Balance: \$8,581,000	Last Updated: March 2021
<ul style="list-style-type: none"> <li>2020 Budget includes funding to purchase 5 expansion low floor clean diesel buses.</li> </ul>		<ul style="list-style-type: none"> <li>RFTA took receipt of the five expansion buses in January and they entered revenue service February 27th.</li> </ul>

### C5 - Grand Avenue Corridor Study (MOVE) (27<sup>th</sup> Street Parking Expansion, Glenwood In-line Stations, GWS Transit Center, Extension of BRT Downtown GWS, Connections to 1-70 Corridor)

Total Project: \$610,000	2021 Budget: \$50,000	% Complete: 95%
RFTA Share: \$290,228	RFTA Balance: \$0	Last Updated: August 2021
<ul style="list-style-type: none"> <li>MOVE Study to identify preferred alternatives for extending BRT to downtown Glenwood Springs (GWS), expanded park and ride in GWS, location of GWS Downtown Transit Center and one to two BRT stations between 27<sup>th</sup> Street and downtown GWS.</li> </ul>		<ul style="list-style-type: none"> <li>Parsons consulting has provided RFTA and the City of Glenwood Springs Draft final reports of the study.</li> <li>Staff updated the Board at the June Board meeting.</li> <li>Further public outreach and agency coordination is needed to identify a Local Preferred Alternative for the alignment of BRT extension from 27<sup>th</sup> Street to West Glenwood Park and Ride. This work will continue with staff for remainder of 2021 and into 2022.</li> </ul>

### C8 - 27<sup>th</sup> Street Parking Expansion

Total Project: \$4,445,396	2021 Budget: \$150,000	% Complete: 20%
RFTA Share: \$4,445,396	RFTA Balance: \$4,295,396	Last Updated: September 2021
<ul style="list-style-type: none"> <li>The 2021 budget includes funding for property acquisition, appraisal and environmental services in preparation for a property acquisition for expanded park and ride development near the 27<sup>th</sup> Street Station.</li> </ul>		<ul style="list-style-type: none"> <li>Staff is in negotiations for ownership of property.</li> <li>Environmental consultants have completed Phase 1 of Environmental Site Assessment.</li> </ul>

**C13 – Town of Snowmass Village Transit Center**

Total Project: \$12,860,000	2021 Budget: \$0	% Complete: 20%
RFTA Share: \$500,000	RFTA Balance: \$500,000	Last Updated: August 2021
<ul style="list-style-type: none"> <li>RFTA staff continues to coordinate with Town of Snowmass on the design and implementation of the Snowmass Transit Center.</li> </ul>		<ul style="list-style-type: none"> <li>RFTA staff continues coordination efforts with TOSM on design of Transit Center.</li> <li>It is understood that Snowmass may request RFTA's \$500,000 contribution to this project in 2022.</li> </ul>

**S1 - Grade Separated Pedestrian Crossings of Hwy 82 and 27th St.**

Total Project: \$10,250,000	2021 Budget: \$1,000,000	% Complete: 30%
RFTA Share: \$4,279,500	RFTA Balance: \$3,229,500	Last Updated: September 2021
<ul style="list-style-type: none"> <li>In 2021 RFTA staff and design consultants plan to develop 100% design and construction documents of the 27<sup>th</sup> Street and SH-82 Underpass.</li> <li>RFTA plans to Bond for the remaining construction funding to allow for an October 2021 construction start date.</li> </ul>		<ul style="list-style-type: none"> <li>Staff continues final design efforts with design team.</li> <li>Final design expected by August.</li> <li>Construction planned for spring 2022.</li> </ul>

**S4 - Buttermilk Underpass**

Total Project: \$8,057,358	2021 Budget: \$0	% Complete: 0%
RFTA Share: \$500,000	RFTA Balance: \$500,000	Last Updated: September 2021
<ul style="list-style-type: none"> <li>The RFTA Contribution when budgeted is \$500,000 to be applied towards construction of a grade pedestrian crossing at the Buttermilk intersection in Pitkin County.</li> </ul>		<ul style="list-style-type: none"> <li>Pitkin County is beginning to coordinate partnerships and design efforts.</li> </ul>

## S7 - Glenwood Maintenance Facility (GMF) Expansion

Total Project: \$55,259,161	2021 Budget: \$9,200,000	% Complete: 15%
RFTA Share: \$26,226,701	RFTA Balance: \$12,321,000	Last Updated: September 2021

- 2021 Budget includes funding for Phase 2 Construction: Grading, Excavation, Fleet Maintenance Building Renovation & Expansion.
- RFTA will be requesting partial funding of Phases 3,4,5,7 for professional services in support of RFQ and RFP process of design/build team. Construction funding for phases 3,4,5,7 will be appropriated most likely in 2022.

### Phase 2

- Construction is underway.



*Foundation prep at the west side of the GMF*



*Concrete forming work at the GMF*

### Phase 3,4,5,7

- CDOT grant funding has been executed
- Federal BUILD grant and FTA 5339 Grant has been executed
- Selection of Design Build team is underway

## S10 - Replacement Office/Housing in Carbondale

Total Project: \$10,000,000	2021 Budget: \$980,000	% Complete: 3%
RFTA Share: \$10,000,000	RFTA Balance: \$9,020,000	Last Updated: August 2021
<ul style="list-style-type: none"> <li>Staff will be requesting to roll forward 2021's budget for housing master planning and design into 2022.</li> <li>Staff intends to conduct a site analysis study and housing product definition to provide RFTA a recommendation for where and what should be RFTA's next phase of housing expansion.</li> </ul>		<ul style="list-style-type: none"> <li>Draft report provided to RFTA staff.</li> </ul>

### COVID-19 Update:

- Attendance:** As of Friday, September 3, 2021, there were 4 RFTA employees absent due to COVID-19 related reasons, only 1 of which had tested positive for COVID-19.
- Vaccinations:** As of Friday, September 3, 2021, the number of RFTA employees who were fully vaccinated was as follows:

Total vaccinated	322
Total Employees	418
Percent vaccinated	77%

- Staffing:** As of Tuesday, August 31, 2021, RFTA had 155 Year-Round Bus Operators on staff. In order to comfortably accommodate vacations and illnesses, the Fall Season (which begins 9/7) goal for Bus Operators is 155. RFTA is continuing to recruit Year-Round and Seasonal Bus Operators. For the coming Winter Season, RFTA has a goal of 185 Year-Round Bus Operators and 15 Seasonal Bus Operators, for a total Winter Season staffing level goal of 200 Bus Operators. Currently, there are 27 candidates in the recruitment and training pipeline.
- Fleet Availability:** As of Friday, August 3, 2021, RFTA had 99 buses available for service and required 66 for peak pullout.
- Ridership:**

Service	2019	2021	% Vari YTD 2021 to YTD 2019
Aspen	1,021,939	473,268	-54%
Valley	1,952,093	1,139,172	-42%
Hogback	70,288	46,479	-34%
Other	924,352	459,811	-50%
<b>Total</b>	<b>3,968,672</b>	<b>2,118,730</b>	<b>-47%</b>

### Planning Department Update, September 2021 – David Johnson, Director of Planning

Please click on "[9-9-2021 Planning Department Update.pdf](#)" or find this document included in the August 2021 RFTA Board Meeting Portfolio.pdf, attached to the email transmitting the RFTA Board Meeting Agenda packet. Of particular note is a **Grants Update** on page 3 prepared by Jason White, Assistant Planner.

2021 Actuals/Budget Comparison (July YTD)

2021 Budget Year	July YTD			
General Fund	Actual	Budget	% Var.	Annual Budget
<b>Revenues</b>				
Sales and Use tax (1)	\$ 12,509,867	\$ 10,800,198	15.8%	\$ 25,606,000
Property Tax	\$ 10,674,995	\$ 10,662,684	0.1%	\$ 10,945,000
Grants	\$ 9,200,074	\$ 9,200,074	0.0%	\$ 62,616,872
Fares (2)	\$ 2,131,306	\$ 1,422,473	49.8%	\$ 2,426,756
Other govt contributions	\$ 1,392,534	\$ 1,392,534	0.0%	\$ 2,370,922
Other income	\$ 478,233	\$ 449,786	6.3%	\$ 808,130
<b>Total Revenues</b>	<b>\$ 36,387,009</b>	<b>\$ 33,927,749</b>	<b>7.2%</b>	<b>\$ 104,773,680</b>
<b>Expenditures</b>				
Fuel	\$ 990,960	\$ 1,247,267	-20.5%	\$ 1,564,137
Transit	\$ 20,298,324	\$ 21,209,889	-4.3%	\$ 31,728,362
Trails & Corridor Mgmt	\$ 238,126	\$ 239,005	-0.4%	\$ 670,770
Capital	\$ 8,991,260	\$ 8,974,778	0.2%	\$ 57,717,594
Debt service	\$ 1,779,602	\$ 1,779,602	0.0%	\$ 2,773,200
<b>Total Expenditures</b>	<b>\$ 32,298,271</b>	<b>\$ 33,450,541</b>	<b>-3.4%</b>	<b>\$ 94,454,063</b>
<b>Other Financing Sources/Uses</b>				
Other financing sources	\$ 3,725,431	\$ 3,697,803	0.7%	\$ 6,821,647
Other financing uses	\$ (1,554,560)	\$ (1,554,560)	0.0%	\$ (3,875,165)
<b>Total Other Financing Sources/Uses</b>	<b>\$ 2,170,871</b>	<b>\$ 2,143,243</b>	<b>1.3%</b>	<b>\$ 2,946,482</b>
<b>Change in Fund Balance (3)</b>	<b>\$ 6,259,609</b>	<b>\$ 2,620,451</b>	<b>138.9%</b>	<b>\$ 13,266,099</b>

- (1) Timing issue, as Sales and Use tax Revenues are received 2 months in arrears (i.e. May sales and use tax revenue is recorded in July). Sales tax revenues continue to exceed initial estimates; however, I-70 closures due to mudslides and the continued threat of COVID-19 are anticipated to impact economic activity for the remainder of the year.
- (2) Through July, fare revenue and ridership have increased by 72% and 19%, respectively, compared to the prior year. COVID-19 impacts started in mid-March 2020. The increase in regional fares has been primarily attributable to Seasonal zone pass sales during the spring of 2021 which have exceeded the prior year. The Maroon Bells service started earlier this season on June 7, 2021 compared to last season on June 28, 2020 which contributes to the increase. Staff anticipates that the capacity change in June 2021 from 50% to 100% of seated capacity on buses will further increase our regional and Maroon Bells fare revenues over budget. As mentioned above, I-70 closures due to mudslides and the continued threat of COVID-19 could impact demand on the Maroon Bells bus tour. Over the course of the year, timing of bulk pass orders by outlets and businesses can affect the % change. The chart below provides a YTD July 2020/2021 comparison of actual fare revenues and ridership on RFTA regional services:

Fare Revenue:	YTD 7/2020	YTD 7/2021	Increase/ (Decrease)	% Change
Regional Fares	\$ 1,034,200	\$ 1,537,261	\$ 503,061	49%
Maroon Bells	\$ 192,199	\$ 572,084	\$ 379,885	198%
<b>Total Fare Revenue</b>	<b>\$ 1,226,399</b>	<b>\$ 2,109,345</b>	<b>\$ 882,946</b>	<b>72%</b>
Ridership on RFTA Regional Services*:	YTD 7/2020	YTD 7/2021	Increase/ (Decrease)	% Change
Highway 82 (Local & Express)	292,466	310,916	18,450	6%
BRT	292,632	362,087	69,455	24%
SM-DV	32,672	12,710	(19,962)	-61%
Grand Hogback	42,687	40,521	(2,166)	-5%
Maroon Bells	30,813	93,647	62,834	204%
<b>Total Ridership on RFTA Fare Services</b>	<b>691,270</b>	<b>819,881</b>	<b>128,611</b>	<b>19%</b>
Avg. Fare/Ride	\$ 1.57	\$ 2.12	\$ 0.55	35%
Avg. Fare/Ride MB	\$ 6.24	\$ 6.11	\$ (0.13)	-2%
* Excludes Aspen-Snowmass Regional service which is fare-free due to EOTC contributions.				

- (3) Over the course of the year, there are times when RFTA operates in a deficit; however, at this time we are projecting that we will end the year within budget.

RFTA System-Wide Transit Service Mileage and Hours Report								
Transit Service	Mileage July YTD				Hours July YTD			
	Actual	Budget	Variance	% Var.	Actual	Budget	Variance	% Var.
RF Valley Commuter	2,650,234	2,639,494	10,740	0.4%	127,225	126,349	876	0.7%
City of Aspen	323,730	326,713	(2,983)	-0.9%	37,388	37,351	37	0.1%
Aspen Skiing Company	214,455	212,670	1,785	0.8%	15,005	14,696	308	2.1%
Ride Glenwood Springs	66,186	68,799	(2,613)	-3.8%	5,702	5,676	26	0.5%
Grand Hogback	163,052	159,000	4,052	2.5%	6,963	6,652	311	4.7%
Senior Van	5,114	13,803	(8,689)	-62.9%	906	1,007	(101)	-10.1%
MAA Burlingame	8,586	15,115	(6,529)	-43.2%	752	1,083	(331)	-30.6%
Maroon Bells	36,130	33,162	2,968	8.9%	2,743	2,721	21	0.8%
<b>Subtotal - Transit Service</b>	<b>3,467,487</b>	<b>3,468,755</b>	<b>(1,268)</b>	<b>0.0%</b>	<b>196,684</b>	<b>195,537</b>	<b>1,147</b>	<b>0.6%</b>
Training & Other	8,891	7,202	1,689	23.4%	18,193	13,412	4,781	35.6%
<b>Total Transit Service, Training &amp; Other</b>	<b>3,476,378</b>	<b>3,475,957</b>	<b>421</b>	<b>0.0%</b>	<b>214,877</b>	<b>208,949</b>	<b>5,928</b>	<b>2.8%</b>

**Roaring Fork Transportation Authority System-Wide Ridership Comparison Report**

Service	Jul-20 YTD	Jul-21 YTD	# Variance	% Variance
City of Aspen	465,553	409,562	(55,991)	-12.03%
RF Valley Commuter	848,280	968,220	119,940	14.14%
Grand Hogback	42,687	40,521	(2,166)	-5.07%
Aspen Skiing Company	326,362	212,892	(113,470)	-34.77%
Ride Glenwood Springs	57,607	75,544	17,937	31.14%
X-games/Charter	63,569	93,647	30,078	47.32%
Senior Van	1,113	575	(538)	-48.34%
MAA Burlingame		-	-	#DIV/0!
Maroon Bells	1,161	37,793	36,632	3155.21%
GAB Transit Mitigation Svcs.	-	-	-	N/A
<b>Total</b>	<b>1,806,332</b>	<b>1,838,754</b>	<b>32,422</b>	<b>1.79%</b>

**Subset of Roaring Fork Valley Commuter Service with BRT in 2019**

Service	YTD Jul 2020	YTD Jul 2021	Dif +/-	% Dif +/-
Highway 82 Corridor Local/Express	292,466	310,916	18,450	6%
BRT	292,632	362,087	69,455	24%
<b>Total</b>	<b>585,098</b>	<b>673,003</b>	<b>87,905</b>	<b>15%</b>

**2022 RFTA Annual Budget – Preliminary Schedule**

Date	Activity	Status
8/12/2021	Discussion/Direction/Action: Preliminary planning initiatives, assumptions and issues.	<i>Completed</i>
9/9/2021	Presentation/Direction/Action: 1 <sup>st</sup> draft budget presentation	<i>On schedule</i>
10/14/2021	Presentation/Direction/Action: 2 <sup>nd</sup> draft budget presentation	<i>On schedule</i>
11/11/2021	Presentation/Direction/Action: 3 <sup>rd</sup> draft budget presentation	<i>On schedule</i>
12/9/2021	Public Hearing: <ul style="list-style-type: none"> <li>Final budget presentation and adoption</li> <li>Review and approve the final certifications of valuations from the Eagle, Garfield, and Pitkin County Assessors</li> </ul>	<i>On Schedule</i>

## Facilities and Bus Stop Maintenance Facilities Capital Projects Update

### Projects currently under construction:

1. **Phase 2 GMF expansion.** Work on excavation, forming and concrete pours for the foundation of the expansion of the facility is continuing and expected to take 3-4 more weeks.
2. The new Dispatch Center at 100 Midland, Suite 206, is scheduled to open on September 6, at which time all dispatching functions at the AMF and GMF will be transferred to this new facility. This office will be in operation 24/7/365 and will become the centralized control center for RFTA bus operations. This site will also house a temporary IT work shop and it is anticipated that a customer service center will also operate from this office.
3. The process to purchase the property at 505 27<sup>th</sup> Street in Glenwood Springs is proceeding and staff has been exchanging offers for the property with Vail Associates.
4. The 2021 Rio Grande Trail improvement project is scheduled to begin after Labor Day weekend. This project will include the replacement of a 500-foot section of asphalt in the Emma section that has been severely damage by tree roots.
5. The project to make needed repairs at the Parker House was put out to bid twice, but RFTA did not receive any proposals. Staff will refine the project this fall and rebid it during the winter when contractors are looking for work for the next constructing season.
6. The crack sealing potion of the yearly asphalt repair and maintenance project will begin after Labor Day.

### Facilities projects budgeted for 2021

1. Acquisition of property around 27<sup>th</sup> Street Glenwood Springs.
2. Repairs to the Wingo Bridge abutments. **Postponed until 2022**
3. Rio Grande Trail repairs and maintenance. **Scheduled for September**
4. Repair of siding, soffit and fascia at the Parker House Apartments. **Postponed until 2022**
5. Revision of the facilities' storm water management plans.
6. Revisions and updates to the CNG emergency response plan.
7. Development of an Operations Dispatch Center. **Scheduled to begin operations on September 6**
8. Asphalt repair and maintenance project. **Completed with the exception of crack sealing scheduled for September**
9. Development of a RFTA housing construction strategy. **Under way, final deliverable in October**

### Facilities projects completed in 2021:

Staff has completed the following projects in 2021.

- Demo of the MOC

### Construction projects currently in the design process:

1. 27<sup>th</sup> Street pedestrian underpass.
2. Phases 3-4-5 & 7 of the GMF expansion project.
3. Rio Grande Trail annual repair and maintenance project. **Completed**
4. Parker House repairs. Scope of project completed. **Project postponed until 2022**

## Railroad Corridor & Rio Grande Trail Update

**Right-of-Way Land Management Project:** Along with its legal and engineering consultants, RFTA staff will be working on the following tasks in 2021 and 2022:

- Staff has begun to utilize a new review process for projects proposing to make use of the Railroad Corridor. This process allows staff to have railroad and legal experts review, assess and report on proposed development impacts along the Railroad Corridor along with making recommendations regarding potential mitigation for the impacts that RFTA can provide to permitting jurisdictions. (Ongoing)

Staff is in the process of approaching every adjacent, unlicensed property owner and working with them to get a license in place for access across, or encroachments into the RFTA Railroad Corridor. Identifying each of the property owners has proven a bit challenging. However, staff is in the process of compiling a detailed list of every adjacent property owner, and will begin approaching each property owner on a county-by-county basis. (Ongoing)

Based on comments received from RFTA Board members at the 02/11/2021 meeting, staff will begin working with Paul Taddune, General Counsel, to bring some longstanding licensees into compliance with the terms of their license agreements, secure license agreements with the unlicensed adjacent property owners, and work to eliminate all outstanding encroachments. We will also work with Paul on several ditch concerns, and determine a path to finalize agreements involving property boundary disputes. (Ongoing)

- **Recreational Trails Plan (RTP)** – The Planning Department and Facilities Department are working collaboratively with regional stakeholders to update the 2005 Recreational Trails Plan (RTP). Following unanimous RFTA Board adoption of the Access Control Plan (ACP) in early 2018, the RTP is the second component plan of the larger Corridor Comprehensive Plan that guides management of the entire Rio Grande Railroad Corridor from Glenwood Springs to Aspen. (Ongoing)
- **Covenant Enforcement Commission (CEC)** – Staff will complete the annual CEC assessment of the Railroad Corridor September 1<sup>st</sup> through the 3<sup>rd</sup>. **The annual CEC meeting will be scheduled sometime in October, with a CEC recommendation organized and presented to the RFTA Board at the January or February 2022 meeting.**

### **We are in need of replacement CEC board members from the following jurisdictions:**

- Several of the CEC members from the various jurisdictions terms have expired and we are in need of replacements. We need a primary and an alternate from each of the following jurisdictions. The members serve three (3) year terms. Please contact Abbey Pascoe at [apascoe@rfta.com](mailto:apascoe@rfta.com) and let her know who will be representing your jurisdiction on the CEC. We have listed the previous members below:
  - Town of Basalt- Previous Member: Jacque Whitsitt; Alternate: Bernie Grauer
  - Eagle County- Previous Member: Jeanne McQueeney; Alternate: Kelley Collier & Kathy Chandler-Henry
  - City of Aspen- Previous Member: Ann Mullins; Alternate: Steve Skadron
  - Town of New Castle- Previous Member: Art Riddle; Alternate: Greg Russi

**We would like to have an updated list of members by 09/30/2021.**



As a reminder, the CEC was established because of an agreement between RFTA's predecessor, the Roaring Fork Railroad Holding Authority ("RFRHA"), and the Board of Trustees of Great Outdoors Colorado ("GOCO"). GOCO provided funds for the purchase of the Corridor in 1997. Originally, RFRHA was required to place a conservation easement on the entire Corridor. Based on concerns about securing federal funding for future RFRHA transportation projects, the Conservation Easement was removed from the entire 33.4 miles of the Corridor and replaced with Restrictive Covenants, in ten discrete areas. The obligations of the Restrictive Covenants now belong to RFTA. GOCO allowed modification of its original grant agreement in return for RFRHA managing the restrictive covenants and setting up the CEC. The CEC is made up members from the original members of RFRHA, Pitkin County Open Space and Trails (POST) and two at-large community members that reside in Pitkin County and Eagle County. In practice, a consultant with familiarity with the Corridor and the Covenants performs an inspection of the Conservation areas and presents a report to the CEC. The CEC then reviews the report and sends a letter of recommendations to the RFTA Board for review.

- **Federal Grant Right of Way (fgrow) project** – Staff continues to identify and approach adjacent property owners located in the fgrow areas in an attempt to negotiate the exchange of Bargain and Sale deeds. Staff had a closing with seven adjacent property owners in Carbondale on Monday, August 9, 2021. Since that is completed, we will move to a new FGROW section. (Ongoing)
- **Mid Valley Trails Committee (MVTC)** – Eagle County and RFTA staff are reviewing all of the original agreements regarding oversight of this committee and developing a white paper outlining each organizations responsibilities for managing this committee. Staff will finalize this information and bring a presentation to the RFTA Board in October for direction.



## Rio Grande Trail Update

- Staff is busy out on the trail!
  - The Trail Staff is working hard to give ALL trail users a great experience.
  - Staff has been out mowing, weeding, sweeping, debris blowing, cleaning up trailheads, cleaning the restrooms, etc. to make sure the trail is safe and clean.
  - With the recent rains, noxious weeds and trail side vegetation management have been our primary focus
- Riverview Trail Update – work has resumed. Trail prep/base course on the CR 109 portion has begun and guard rail/fence posts have been installed on the RFTA portion. Asphalt was laid down on 08/25/2021, but the trail is NOT open to the public yet...Please see photos below.
  - This is a "safe routes to school project" that will connect people from CR 109 and the Westbank/Ironbridge neighborhoods up to the Rio Grande Trail and then a trail connects to the Riverview School campus.

- Staff continues working with Carbondale Arts to beautify the corridor through Carbondale, called the Rio Grande ArtWay.
  - Staff has been weeding the parks and keeping the irrigation system fully operable
  - The next big project is the Youth Art Park, and it will be located just north of Town Hall and the Carbondale Rec Center. The schematic site design is completed, civil/structural design is happening now, and construction is scheduled to begin sometime in 2021.
- Staff has been working with Back 40 Stories to create new information kiosk map/panels, survey existing trail amenities, and identify locations that could benefit from additional amenities, signs, etc.
  - 3 kiosk maps have been ordered, along with several Trail Etiquette and Rules/Regs. signs
- **Goats are coming baaaaack!** to assist with vegetation management and build soil health. Goat Green is scheduled to begin work on the Corridor **September 07, 2021**.
- Some 2021 projects are listed below:
  - Wingo Bridge Maintenance/Repair
    - RFTA and Pitkin County Open Space and Trails had a joint workday on May 12 to remove vegetation around the bridge structure in preparation for the repair work
    - The bids we received were too high, so this repair project will go back out to bid for 2022
  - Rio Grande Trail Maintenance/Repair – asphalt remove/replace and root barrier install near Emma. Work will begin the week of September 13, 2021
  - Re-vegetation efforts
  - Rio Grande ArtWay improvements
- Staff has already begun the budgeting process for 2022 and putting cost estimates together for future projects and equipment



