

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

**TIME:** 8:30 a.m. – 12:00 p.m., Thursday, October 13, 2016

**Usual Location:** Town Hall (Room 1), 511 Colorado, Carbondale, CO

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

	Agenda Item	Policy	Purpose	Est. Time
1	<b>Call to Order / Roll Call:</b>		Quorum	8:30 a.m.
2	<b>Executive Session:</b>			
	A. <b>One Matter:</b> Paul Taddune, General Counsel: A) Pursuant to Section 24-6-402 (4) (b), Colorado Revised Statutes, to confer with attorneys for RFTA for the purpose of receiving legal advice with regard to the specific question of whether litigation should be initiated to enforce the property rights of RFTA along the railroad/trail corridor.		Executive Session	8:31 a.m.
3	<b>Approval of Minutes:</b> RFTA Board Meeting, September 8, 2016, <b>page 3</b>		Approve	8:44 a.m.
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)		Public Input	8:45 a.m.
5	<b>Items Added to Agenda – Board Member Comments:</b>	4.3.3.C	Comments	8:50 a.m.
6	<b>Consent Agenda:</b>			9:00 a.m.
	A. Resolution 2016-12: A Resolution <b>Authorizing</b> and Approving a Lease Purchase Agreement for the Lease (With the Option to Purchase) of Certain Equipment Comprised Generally of Six CNG Commuter Coach Buses, and, in Connection Therewith, Certain Related Documents and Transactions – Dan Blankenship, CEO and Mike Yang, Director of Finance, <b>page 11</b>	2.8	Approve	
	B. CEO <b>Treatment</b> of the Public Policy 2.1 Certification – Dan Blankenship, CEO, <b>page 16</b>	2.1	Accept	
7	<b>Public Hearing:</b>			
	A. <b>Resolution</b> 2016-13: Supplemental Budget Appropriation Resolution – Mike Yang, Director of Finance, <b>page 20</b>	4.2.5	Approve	9:10 a.m.
8	<b>Presentation/Action Items:</b>			
	A. Identification and Prioritization of <b>Board Policy Issues</b> for Future Board Meetings – Dan Blankenship, CEO, <b>page 26</b>	4.3	Meeting Planning	9:20 a.m.
	B. <b>Presentation</b> of Second Draft of 2017 RFTA Budget - Michael Yang, Director of Finance, <b>page 27</b>	4.2.5	Discussion/ Direction	9:55 a.m.
	C. <b>ITSP Update</b> – Ralph Trapani, Parsons Transportation Group, <b>page 45</b>	4.2.1	Discussion/ Direction	10:25 a.m.
	D. <b>Grand Avenue Bridge</b> Transit Mitigation Plan Update – Dan Blankenship, CEO, <b>page 46</b>	4.2.5	Discussion/ Direction	11:00 a.m.
	E. RFTA <b>Solar Array</b> First-Year Performance Report – Dan Blankenship, CEO, <b>page 47</b>	4.2.5	Discussion/ Direction	11:25 a.m.
9	<b>Information/Updates:</b>			
	A. <b>CEO Report</b> – Dan Blankenship, CEO, <b>page 50</b>	2.8.6	FYI	11:45 a.m.
<b>(Agenda Continued on Next Page)</b>				

	<b>Agenda Item</b>	<b>Policy</b>	<b>Purpose</b>	<b>Est. Time</b>
10	<b>Issues to be Considered at Next Meeting:</b> To Be Determined at October 13, 2016 Meeting	<b>4.3</b>	<b>Meeting Planning</b>	<b>11:55 a.m.</b>
11	<b>Next Meeting:</b> 8:30 a.m. – 12:00 p.m., November 10, 2016 at Carbondale Town Hall	<b>4.3</b>	<b>Meeting Planning</b>	<b>11:56 a.m.</b>
12	<b>Adjournment:</b>		<b>Adjourn</b>	<b>12:00 p.m.</b>

**Mission/Vision Statement:**

*“RFTA pursues excellence and innovation in providing preferred transportation choices that connect and support vibrant communities.”*

**Values Statements:**

- ✓ **Safe** – Safety is RFTA’s highest priority.
- ✓ **Accountable** – RFTA will be financially sustainable and accountable to the public, its users, and its employees.
- ✓ **Affordable** – RFTA will offer affordable and competitive transportation options.
- ✓ **Convenient** – RFTA’s programs and services will be convenient and easy to use.
- ✓ **Dependable** – RFTA will meet the public’s expectations for quality and reliability of services and facilities.
- ✓ **Efficient** – RFTA will be agile and efficient in management, operations and use of resources.
- ✓ **Sustainable** – RFTA will be environmentally responsible.

**ROARING FORK TRANSPORTATION AUTHORITY  
BOARD MEETING MINUTES  
September 8, 2016**

**Board Members Present:**

Jeanne McQueeney, Chair (Eagle County); Jacque Whitsitt (Town of Basalt); Michael Owsley (Pitkin County); Mike Gamba (City of Glenwood Springs); Steve Skadron (City of Aspen); Ben Bohmfalk (Town of Carbondale).

**Voting Alternates Present:**

Art Riddile, (Town of New Castle); Alyssa Shenk (Town of Snowmass Village).

**Non-Voting Alternates Present:**

George Newman (Pitkin County); Kathryn Trauger, (City of Glenwood Springs).

**Staff Present:**

Dan Blankenship, Chief Executive Officer (CEO); Paul Taddune, General Counsel; Kelley Collier, Chief Operating Officer (COO); Mike Hermes, Angela Henderson, Amy Burdick, and Dina Farnell, Facilities & Trails Department; David Johnson, Jason White, Planning Department; Mike Yang, Finance Department; Kent Blackmer, Operations Department.

**Visitors Present:**

Emzy Veazy III (Citizen); Ralph Trapani, Jen Leifheit (Parsons); John Kruger (City of Aspen); Tom Dalessandri (Colorado Protective Services); Scott Condon (Aspen Times); Nick Miscione (CCY Architects).

**Agenda**

**1. Roll Call:**

Jeanne McQueeney, Chair, declared a quorum to be present (8 member jurisdictions present) and the meeting began at 8:34 a.m.

**2. Executive Session**

A. **Two Matters:** Paul Taddune, General Counsel:

**Jeanne McQueeney read the topics and legal justifications of the scheduled Executive Session prior to the motion to adjourn into Executive Session:**

Pursuant to C.R.S. 24-6-602 (4)(b)(1): Sos and Carroll Litigation

**Owsley moved to adjourn into Executive Session and Gamba seconded the motion and it was unanimously approved. The Board adjourned into Executive Session at 8:35 a.m.**

RFTA staff present at the Executive Session included: Dan Blankenship, Paul Taddune, Kelley Collier, Mike Hermes, and Angela Henderson.

**Whitsitt moved to adjourn from Executive Session into the regular Board Meeting and Gamba seconded the motion. The motion was unanimously approved.**

No action was taken during the Executive Session. The Executive Session adjourned at 8:40 a.m.

3. **Approval of Minutes:**

Gamba moved to approve the minutes of the August 11, 2016 Board Meeting and Owsley seconded the motion. The motion was unanimously approved.

4. **Public Comment:**

Jeanne McQueeney asked if any member of the public would like to address the Board or make a comment.

There were no public comments.

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

McQueeney asked if there were any items that needed to be added to the meeting agenda.

Whitsitt requested that Board and Staff be more specific on the agenda about the topics of the Executive Session. Taddune responded that he will be clearer about Executive Session details in the future.

Blankenship requested that Resolution 2016-11 be added to the agenda (supporting the Application for a Grant from the Colorado Department of Local Affairs Energy Mineral Impact Assistance (EMIA) Program for Refurbishment of two (2) transit vehicles). The call for projects had been put on hold, and the new deadline had been discovered late in the process.

McQueeney next asked if any Board member had comments or questions regarding issues not on the meeting agenda.

6. **Consent Agenda:**

- A. Resolution 2016-10: Supporting the Grant Application for a Grant from the Garfield County Federal Mineral Lease District to Purchase Two (2) 14-passenger, ADA-accessible, Compressed Natural Gas (CNG) Vehicles, to be Owned by Garfield County, and Operated by RFTA for the Garfield County Traveler Service**
- B. Letter of Support for Glenwood Springs GOCO Grant Application for LoVa Trail Planning and Design**
- C. Resolution 2016-11 Supporting the Grant Application for a Grant from the Colorado Department of Local Affairs Energy Mineral Impact Assistance (EMIA) Program for Refurbishment of two (2) transit vehicles**

Regarding Resolution 2016-10, Owsley asked if RFTA intends to transfer the buses to Garfield County. Blankenship explained that RFTA is pledging to provide the 20% match for the vehicles. If RFTA receives the grant, RFTA will request matching funds from Garfield County. These vehicles benefit not only the Garfield County Traveler program, but all communities along the corridor. RFTA specified in the application that the vehicles would belong to Garfield County, regardless of who operates the service.

Many of the Traveler vehicles are aging and are not suitable for the service needs. The proposal is a good fit for FMLD, because it benefits seniors in Garfield County. RFTA will work with the County

to see if the County will contribute the match. The County Manager reports that revenues are down and projects may be cut back. RFTA may have to pay 20% of the total project cost.

Blankenship also noted that Edna Adeh has resigned effective the last day of September. She has been a hard worker and a self-starter, and has taken on a lot of tasks including regulatory compliance.

**Gamba moved to approve the Consent Agenda items and Owsley seconded the motion. The motion was unanimously approved.**

**7. Presentation/Action Items:**

**A. Presentation of First Draft of 2017 Budget – Michael Yang, Director of Finance**

Yang presented the first draft of the 2017 Budget, noting that RFTA will update the document as more information becomes available. Regarding the services outlined on page 17, the Budget assumes mostly status quo service, with updates for seasonal changes, such as Aspen Ski Company's opening and closing days. The Budget also assumes additional service for winter season Burlingame service, and significant additions for Grand Avenue Bridge transportation mitigation.

Blankenship added that RFTA will need to communicate with the City of Glenwood Springs and with CDOT to make sure all services can be run efficiently. RFTA hopes that detours can be defined and bus priority measures can be implemented in Glenwood Springs, for benefit of the entire transportation system. Right now, with partial closures, people are experiencing major congestion issues. RFTA is a main player in the 90 day closure, and is critical to the success of the project. If people find the RFTA experience substandard, they may choose to stay in their cars.

The service plan includes additional service Monday through Friday, as those days are anticipated to need the most mitigation. The EOTC has contributed \$335,000 for 90 days at 5 days per week; however, said Blankenship, RFTA will likely have to establish service 7 days per week and ramp-up the services well before the bridge closure. RFTA will need to seek additional revenue from others or absorb the costs.

There is still some uncertainty about the date and duration of the bridge closure. If the closure occurs earlier than anticipated, it may conflict with RFTA's peak season commitments. RFTA will also need to reduce transit mitigation service with the increasing fall and winter season commitments.

Newman asked about the level of confidence in the 90-day closure schedule. Blankenship responded that the contractor appears to be hitting its milestones, if not ahead of schedule, and there is a lot of incentive to be timely. Gamba concurred that the milestones have been achieved on time; moreover, the 8th Street bridge closure will be a good pre-test. The contractor wanted 14 days; how they want 10 days. Gamba expects them to make the 10-day window, as they have met or exceeded expectations.

Gamba reported that the City has revised its transit plan during the detour. Ride Glenwood Springs will be operating at the north end of the bridge. But RGWS is currently on 30-minute frequency, while other services are more frequent. There cannot be a disparity of service between the north and south sides, said Gamba, and we recognize that all parties need to help make it happen. The transit mitigation only works if it convenient and functional. People will not tolerate inconvenient transfers.

The next step, said Blankenship, is to meet internally with city staff and CDOT. CDOT will work with all parties to achieve some level of transit priority. Whitsitt asked if there was merit in having a subcommittee of the RFTA Board working on this. Gamba replied that he thought that it might be best if staff determines what options are viable, and then come back to the Board. Whitsitt suggested that staff and elected officials working together might achieve more progress. Blankenship suggested meeting with staff to the point to where there is a logical plan, and then come back to the Board.

Yang continued with the 2017 Budget presentation. Referring to page 18, Yang stated that the current estimate is a 2% increase in sales tax. For fuel budgeting, RFTA has a contract for 70% of its fuel needs; the remaining 30% is not yet locked in. RFTA will try to lock the remainder before final budget adoption. Diesel fuel costs are down by about 21% over last year. Collective Bargaining Unit wage adjustments are scheduled and included. Included is the plan to lease-purchase 6 buses. 4 buses have been refurbished and will rejoin the fleet soon and another 4-5 buses are planned in the next 2 years. To continue the GMF expansion, RFTA plans to issue its remaining \$7 million in bonding authority. There is a chance that the issuing process will roll into 2017.

Yang noted that the capital projects fund is incomplete for this draft. RFTA will roll over unfinished projects from 2016 into 2017. The General Fund beginning fund balance is \$14.8 million, and total expenditures are about \$25 million. Overall change in fund balance shows a \$1.1 million surplus, but there is more work to do regarding Grand Avenue Bridge cost estimates, a capital wish list prioritization, and Phases 3 and 4 of the ITSP are not included in the current budget. Blankenship added that RFTA continuously applies for grants, but does not program grant funds until they are awarded.

Sales and use tax comprises 52% of 2017 projected revenues, said Yang. Referring to page 21, sales tax growth has been steady, but forecasts are conservative. Use tax receipts are more uncertain, and account for significantly less than sales tax. Blankenship added that a large chunk of use tax comes from one player and it is uncertain if that will continue. A large share of the use tax could disappear. Yang also noted an estimated loss of revenue of \$64,000 during Grand Avenue Bridge closure for fare free service. 5311 and FASTER revenues are anticipated, but will likely be flat, as will be the EOTC contribution for fare free service and possibly GarCo's contribution for Grand Hogback service.

Scheduled increases for full-time bus operators are an average of 4.5%, resulting in an increase of \$335,000. There are also proposed merit increases for other full-time RFTA employees. Referring to page 26, there will be additional staffing needs, particularly in operations, primarily due to Grand Avenue Bridge transit mitigation. Major goals identified in the capital budget include ongoing support for WE-cycle, Grand Avenue Bridge mitigation, and the Rio Grande Rail Corridor Comprehensive Plan Update.

Referring to page 19, Skadron asked if the ratio of operating revenues (fares) to total revenues compares favorably to other organizations. Blankenship responded that the \$10 million for service contracts is for City of Aspen, and \$5 million of the operating revenues is transit fares. Fares are only collected on regional services. Many other services are fare free, or largely so.

Skadron had a similar question about RFTA's debt ratio (8%). Blankenship responded that staff will need to respond later. Some peer group comparisons will be covered in the ITSP. RFTA is a unique agency, lacking similar peers, but we can still do some comparisons. Skadron inquired about the changes in labor costs, now that there is a Collective Bargain Agreement. Yang responded that in previous years, RFTA budgeted a merit increase of up to 4%, initiated at the employees' date of hire. Under the CBA contract, there is an automatic 4.5% increase at the start of the year, similar to most union contracts.

Whitsitt requested that the Board discuss the legitimacy of RFTA incorporating WE-cycle. The Rio Grande Trail serves a purpose of getting people out of their cars, and so does WE-cycle. It seems so much a part of connection to RFTA, and it should not limp along, passing the cup each year for its existence. Skadron asked how WE-cycle integration would look operationally and as part of RFTA structure. Blankenship responded that RFTA wants to preserve Mirte Mallory's entrepreneurial strengths, and should discuss whether RFTA provides a consistent contribution to WE-cycle, or whether WE-cycle could be taken in-house. Gamba suggested that the Board give staff a chance to determine what the options are, and come back with more information.

Owsley requested more detail on RFTA's service contracts. If we can only apportion fare revenue to regional services, we do not seem to be able to determine fare revenue ratio. Blankenship responded that the City of Glenwood Springs charges a \$1 all day fare. RFTA's contract is for a fully allocated cost, and Glenwood Springs uses the fare revenue collected to offset its operating costs. The Music Associates of Aspen (MAA) service contract in Aspen is free to users and the allocated cost is borne by MAA. RFTA does not set policy for Ride Glenwood on how they change fares. Fare recovery on regional services that RFTA control, is 20% to 25%, which is about average for transit agencies.

**B. ITSP Update** – Ralph Trapani, Parsons Transportation Group, David Johnson and Jason White, Planning Department

Trapani reported that most of the recent work on the ITSP has been focused on developing the transportation analysis zones for the AirSage data. Thanks to the expediency of RFTA's Procurement Department, a purchase order with AirSage was signed by August 31, and AirSage gave RFTA 45 zones, instead of 30 zones.

Public outreach is still a major component of Stage 2 of the ITSP. Stakeholder meetings and small group meetings are being scheduled.

The Upper Valley Mobility Study (UVMS) is a separate component of the ITSP, and is intended to compare transportation alternatives between Brush Creek Intercept Lot and the City of Aspen. This 10-month project will be completed around June 2017, and will integrate with the ITSP. Parsons is assessing technologies such as electric buses and light rail transit without the overhead catenary as well as BRT and LRT alternatives, and systems that might help alleviate noise and vibration impacts of buses. Non-revenue service alternatives will not be considered; if they do not exist in actual service, they will not be considered in detail. Consistent with the EIS alternative, double-tracking is not being considered. The scope is consistent with the existing alignments, but the LRT alternative alignment needs to be defined in greater detail, to better determine capital costs. Blankenship added that the capital cost may be higher on some alternatives, but the operating cost may be lower; in addition, if some alternatives are more effective at achieving transportation goals, there may be more effort devoted to finding resources needed to implement those alternatives. The City needs to determine whether buses are the answer for the next 50 years.

Blankenship suggested deferring Jason White's presentation on public outreach findings, based on the 2016 On-Board survey and on the ITSP public outreach. Whitsitt asked if the report was posted on the RFTA web site. She suggested making these products easier to view on-line. Blankenship responded that the Board packet is posted on-line, and RFTA can make it more prominent. In essence, he said, the comments reveal that people want more transit service, not less.

Whitsitt asked if RFTA planned to have meetings televised. Blankenship responded that RFTA could host the meetings at the Third Street Center in Carbondale, where they have the capabilities to televise, but Third Street Center is a little off the beaten path. We can also look into the technology improvements needed at Carbondale Town Hall. We have not followed through with the Town on the potential for piggybacking with its technology investments. Bohmfalk said he would follow up.

**C. RFTA 2017 Five-Year Strategic Plan Update – David Johnson, Director of Planning**

Johnson stated that the Strategic Plan was updated every quarter, with a more comprehensive update at the end of the year, when RFTA can finalize what it accomplished at year end. Of particular importance is the Board's request, at the Board Retreat this summer, to focus on enhanced safety and security as a goal. Blankenship asked the Board to look through the plan, but emphasized that RFTA will provide a final copy at the end of 2016, when staff can better define what projects are complete for 2016, and what projects need to be moved forward.

Blankenship returned to the safety and security goal, and read an incident report from the previous night. A man ran up to the bus while it was pulling away from a stop and started pounding on the bus, and attempted to spit on the driver.

Blankenship concurred with the Board's desired focus on safety and security, based on this specific incident and others. It is time for RFTA to upgrade its safety and security measures, and RFTA needs to enforce boundaries. It seems like there is a lack of respect for our personnel and for the safety and tranquility of our passengers. In particular, problems are becoming more acute at Rubey Park and late night between Aspen and Snowmass Village.

Blankenship introduced Tom Dalessandri of Colorado Protective Services, a former member of the area's law enforcement community, who serves as Director of Security for the Aspen Institute. Dalessandri said he was not an alarmist about security issues, but he was a realist. The incidents being observed merit being more alert and more proactive. The behavior escalates way before passengers enter a RFTA vehicle. We need to send a message that we want people to have fun, but that they need to be respectful.

CPS has been providing security at Rubey Park on weekends, and staff rides buses between Aspen and the Intercept Lot. They have never engaged anyone in a physical way, other than to restrain them, but they have seen increased assaults, on security, on drivers, and others; sometimes completely unprovoked. For the safety and comfort of everyone, they need to continually send a message of expectations and let people know there is a boundary; and CPS will call police and press charges. CPS has discussed this with employers and employees at the beginning of the season, and this has been effective.

Blankenship added that RFTA is not in this by itself; we are potentially saving lives, and it is an important service to offer when the bars close. But we owe it to everyone to find a better way to address these disturbances and to send a message that we will not tolerate abuse of RFTA employees and passengers. This may require additional resources from RFTA and from the jurisdictions.

Blackmer stated that RFTA is trying to weed the problem people out before they get on the buses. If a disturbance happens on the bus, everyone pays the price, because the bus has to stop and wait until police show up. If people cause problems, they will not be merely kicked off; there will be repercussions.



Bohmfalk stated there is a heightened concern about pedestrian safety in Carbondale and to expand the scope to include safety of people going to and from the bus stops, not just on buses and at boarding locations.

Owsley stated that he would like to see enforcement capabilities on the trail. People may not be intoxicated, but they can be careless and inconsiderate. Taddune said that RFTA is looking at coordinating law enforcement efforts on the trail. Maybe we can work with police on prioritizing calls, so that, for instance, if a bus driver gets assaulted, police can respond quickly.

Newman said that as a Commissioner and Board member; he supports zero tolerance and wants to see how Pitkin County can help with law enforcement.

**D. Transit TV – Emzy Veazy, III**

Veazy discussed the potential for RFTA to implement Transit TV, as RFTA has a ridership demographic that advertisers would desire. Transit TV was initiated by a Canadian company that invested millions of dollars in getting TV on buses. It went out of business, and another company took it over.

**8. Information/Updates:**

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

Blankenship highlighted CDOT's efforts to reallocate Federal Transit Administration Section 5311 funds, distributed to Colorado's rural transit agencies. CDOT has been audited by FTA, and FTA suggested that they develop a more streamlined methodology to allocate funds. They came up with 5 scenarios, and each scenario has severe impacts for RFTA funding. Given the severe implications, RFTA sent a letter to CDOT asking them to reconsider drastically reallocating these funds. It would hurt RFTA at a time when RFTA is adding transit service to mitigate CDOT's bridge closure. The allocation does not need to be fixed overnight as there is not a funding crisis.

In addition, Bustang, laudable as it is, depletes funds that are available for RFTA and other local transit providers. CDOT is planning to present its 5311 re-allocation recommendations to the Transportation Commission in about 5-7 months.

Newman mentioned that Pitkin County is meeting with CDOT soon; perhaps this is a topic to discuss.

McQueeney asked if there are any transit agencies in the State that think the reallocation is a good idea. Blankenship said yes, many of the smaller agencies will receive more funding, but they will have to match the funding with local funds. Whether they need it the additional funding and whether they can provide the match are unknowns.

Owsley asked how much revenue RFTA generates from bus advertising. Blankenship responded that RFTA makes about \$25,000 from interior bus advertisements. TIGA is the contractor. There might be some revenue potential in Transit TV, but with the noise on the buses, the crowds, and the availability of electronics devices and head phones, it is doubtful that another device would be needed and welcome.

**9. Issues to be Considered at Next Meeting:**

Update on the 2017 Budget, update on WE-cycle, update on the Safety and Security Goal.

Blankenship asked if the Board wishes to hear from WE-cycle, the Regional Transportation Coordination Council and Garfield Clean Energy, who are receiving about \$64,000, cumulatively, in RFTA grants. Whitsitt said no, that the Board should focus its time on policy and goal setting. Blankenship said that the board set a policy to limit grants to \$50,000 last year, and we went over by \$4,000 last year and by \$14,000 in requests this year. A policy question for the Board is whether to increase the limits.

**10. Next Meeting:** 8:30 a.m. – 12:00 p.m., October 13, 2016 at Carbondale Town Hall, 511 Colorado Avenue.

**11. Adjournment:**

**Jeanne McQueeney adjourned the Board meeting at 11:28 a.m.**

Respectfully Submitted:

David Johnson  
Director of Planning

**RFTA BOARD OF DIRECTORS MEETING**  
**“CONSENT AGENDA” AGENDA ITEM SUMMARY # 6. A.**

<b>Meeting Date:</b>	October 13, 2016
<b>Agenda Item:</b>	Resolution 2016-12: A Resolution Authorizing and Approving a Lease Purchase Agreement for the Lease (With the Option to Purchase) of Certain Equipment Comprised Generally of Six CNG Commuter Coach Buses, and, in Connection Therewith, Certain Related Documents and Transactions
<b>Policy #:</b>	<b>4.2.5: Board Job Products</b>
<b>Strategic Goal:</b>	Maintenance: Order and take delivery of 6-7 commuter coaches and one Carbondale Circulator cutaway vehicle
<b>Presented By:</b>	Dan Blankenship, CEO and Michael Yang, Director of Finance
<b>Recommendation:</b>	Approve Resolution 2016-12, which authorizes the CEO to execute master equipment lease/purchase documents necessary to close this transaction, subject to approval as to form by the RFTA General Counsel.
<b>Core Issues:</b>	<ol style="list-style-type: none"> <li>1. The 2016 adopted budget reflects the purchase of 6 CNG Commuter Coach Buses using lease proceeds.</li> <li>2. The 6-CNG 57-passenger buses have been ordered and are anticipated to be delivered around the end of October/early November.</li> <li>3. Solicitation for lease/purchase financing started in September and proposal submissions were received on September 23<sup>rd</sup> from nine firms. All firms were reviewed by RFTA’s Procurement Department and the Evaluation Committee to determine those that were the most advantageous to RFTA. A Notice of Intent to Award was provided to Banc of America Public Capital Corp. (BAPCC) and is contingent on successful contract negotiations as well as approval by the RFTA Board.</li> <li>4. The lease purchase financing terms are as follows: <ol style="list-style-type: none"> <li>a. Amount: approximately \$4,440,264</li> <li>b. Tax-exempt Rate: 1.87%</li> <li>c. Term: 12 Years</li> <li>d. Payments: Monthly</li> <li>e. Estimated annual lease payment: \$414,000 (\$34,500 monthly)</li> </ol> </li> <li>5. Negotiations began the week of October 3<sup>rd</sup> which involved RFTA’s Bond Counsel, Kutak Rock LLP, RFTA’s Financial Advisor, PFM and Legal Counsel. On October 7<sup>th</sup>, BAPCC confirmed a reasonable expectation of obtaining credit approval for the items discussed during negotiations.</li> <li>6. Section 1 of Resolution 2016-12 indicates a not to exceed amount of \$500,000 annually as it relates to the annual debt service payment. This amount reflects a conservative threshold in the unlikely event that the interest rate changes from a tax-exempt rate to a taxable rate. The taxable rate has not been confirmed; however, the \$500,000 amount is enough to cover a taxable rate that is &gt;300 bps above the current tax-exempt rate. As mentioned above, the estimated annual debt service is approximately \$414,000.</li> <li>7. Staff recommends that the Board approve Resolution 2016-12</li> </ol>

<b>Background Info:</b>	See Core Issues above.
<b>Policy Implications:</b>	Board Job Products Policy 4.2.5 state, "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>	Based on the financing terms above, the annual lease payment is estimated to be \$414,000. RFTA's 2005 COPs, which had an annual debt service amount of approximately \$415,000, matured in 2016. Because the annual debt service of the 2005 COPs ends in 2016, RFTA's 2017 budget has the capacity for the lease payment associated with this new lease purchase for the 6 new buses.
<b>Attachments:</b>	Resolution 2016-12 can be found below. A copy of the substantially final Master Equipment Lease/Purchase Agreement between RFTA and BAPCC will be made available at the Board meeting.

Director \_\_\_\_\_ Moved adoption of the following Resolution

\_\_\_\_\_ seconded the motion

**ROARING FORK TRANSPORTATION AUTHORITY**

**RESOLUTION 2016 - 12**

A RESOLUTION AUTHORIZING AND APPROVING A LEASE PURCHASE AGREEMENT FOR THE LEASE (WITH THE OPTION TO PURCHASE) OF CERTAIN EQUIPMENT COMPRISED GENERALLY OF SIX CNG COMMUTER COACH BUSES, AND, IN CONNECTION THEREWITH, CERTAIN RELATED DOCUMENTS AND TRANSACTIONS.

W I T N E S S E T H :

WHEREAS, the Roaring Fork Transportation Authority (“RFTA”) is a body corporate and political subdivision of the State of Colorado (the “State”) created pursuant to the provisions of Section 43-4-601, et seq., Colorado Revised Statutes, as amended (the “Rural Transportation Authority Law”) and the Roaring Fork Transportation Authority Intergovernmental Agreement dated as of September 12, 2000, as amended (as so amended, the “IGA”); and

WHEREAS, the Board of Directors of RFTA (the “Board”) is the governing body of RFTA; and

WHEREAS, RFTA has previously entered into a contract with Motor Coach Industries International Inc. (“MCI”) for the delivery by MCI of six new CNG commuter coach buses (collectively, the “Equipment”); and

WHEREAS, RFTA has determined that it is in the best interests of RFTA and the residents within the boundaries of RFTA, and serves a public purpose, to provide for the acquisition of the Equipment by means of a Master Equipment Lease/Purchase Agreement and the Schedule of Property relating thereto providing for the lease of the Equipment (collectively, the “Lease”) between Banc of America Public Capital Corp, as lessor (“BAPCC”), and RFTA, as lessee; and

WHEREAS, the Board is authorized, pursuant to Section 43-4-605(1)(g), Colorado Revised Statutes, as amended, and Section 6.01 of the IGA, to enter into the Lease and to lease from BAPCC, with an option to purchase the same, the Equipment as provided in the Lease; and

WHEREAS, the Lease shall expire on December 31 of any RFTA fiscal year (a “Fiscal Year”) if RFTA has, on such date, failed, for any reason, to appropriate sufficient amounts authorized and directed to be used to pay all Base Rentals (as defined in the Lease) scheduled to be paid and all Additional Rentals (as defined in the Lease) estimated to be payable in the next ensuing Fiscal Year, and in certain other circumstances set forth in the Lease, and shall not constitute a mandatory charge or requirement against RFTA in any ensuing budget year unless RFTA decides to renew the Lease by appropriating the necessary such amounts; and

WHEREAS, in order to implement the transaction described above, the Board desires (a) to authorize and approve the execution and delivery by RFTA of, and the performance by RFTA of its obligations under, the Lease and certain other documents described herein; and (b) to authorize, approve, ratify, make findings and take other actions with respect to the foregoing and related matters.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Roaring Fork Transportation Authority (in the State of Colorado) that:

**Section 1.** The Board hereby: (a) approves the leasing of the Equipment from BAPCC, pursuant to the Lease in exchange for the payment of monthly Base Rental payments and the cost of Additional Rentals (to include, generally, operation and maintenance costs of the Equipment and other amounts due, if any, to BAPCC under the Lease); (b) authorizes and directs the Chief Executive Officer and Director of Finance of RFTA and General Counsel to RFTA to continue to negotiate and finalize the Lease, which Lease (i) shall provide for the quiet enjoyment of the Equipment so long as RFTA continues to annually appropriate funds for the payment of Base Rentals and Additional Rentals due thereunder, (ii) shall provide for Base Rentals not in excess of \$500,000 annually, (iii) shall not obligate RFTA to any mandatory charge or requirement in any ensuing Fiscal Year unless RFTA decides to renew the Lease by appropriating the necessary amounts to pay any amounts due thereunder in the ensuing Fiscal Year, (iv) shall provide RFTA the option to purchase the Equipment for such amount as is determined appropriate by the Chief Executive Officer and General Counsel, (v) may obligate RFTA to fund the operation and maintenance of the Equipment as Additional Rentals, including applicable taxes and insurance, to the extent determined appropriate by the Chief Executive Officer and General Counsel to RFTA; (c) authorizes the Chair of the Board, the Secretary of the Board, the Chief Executive Officer of RFTA and all other appropriate officers and employees of RFTA to execute and deliver, and to affix the seal of RFTA to, the Lease, in the form submitted to the Board, with such changes as may be deemed necessary and appropriate by the Chief Executive Officer and General Counsel, subject to the limitations of the foregoing clause (b); and (d) authorizes and directs the performance by RFTA of its obligations under the Lease in the form in which it is executed and delivered.

**Section 2.** The Board hereby adopts, as if set forth in full herein, all the representations, covenants, agreements, findings, determinations and statements of or by RFTA set forth in the Lease and hereby further finds and determines that the transactions contemplated by the Lease comprise an Authorized Transportation Project for purposes of the IGA.

**Section 3.** The officers, employees and agents of RFTA are authorized and directed to take all action necessary or appropriate to carry out the provisions of this resolution and the documents referred to herein and to carry out the transactions described herein or in such documents, including, without limitation, the execution and delivery of such certificates as may reasonably be required by BAPCC, relating to, among other matters, the tenure and identity of the officials of RFTA and the Board, the due execution and delivery of the Lease, the absence of litigation, pending or threatened, and the exclusion of the interest portion of Base Rentals from income for federal income tax purposes, and the execution and delivery of any documents necessary or convenient to accomplish the lease of the Equipment in accordance with the Lease.

**Section 4.** The Chief Executive Officer and any designee of the Chief Executive Officer are each hereby designated to act as authorized representatives of the Lessee for purposes of the Lease until such time as the Board shall designate any other or different authorized representative for purposes of the Lease.

**Section 5.** All actions previously taken by the Board and the officers, employees and agents of RFTA which are directed toward transactions described herein or in the documents referred to herein and which are not inconsistent herewith are hereby ratified, approved and confirmed.

**Section 6.** All bylaws, orders, resolutions, and other instruments, or parts thereof, that are in conflict with this resolution are hereby repealed, but only to the extent of such conflict. This repealer shall not be construed to revive any bylaw, order, resolution, or other instrument, or part thereof, heretofore repealed.

**Section 7.** If any section, paragraph, clause or provision of this resolution or any of the documents referred to herein (other than provisions as to the payment of Base Rentals and Additional Rentals by RFTA

during the Lease term, including the requirement that the obligations of RFTA to pay Base Rentals and Additional Rentals under the Lease are conditioned upon the prior appropriation by RFTA of amounts for such purposes in accordance with the requirements of the laws of the State, provisions for the quiet enjoyment of the Equipment by RFTA during the term of the Lease and provisions for the transfer of the Equipment to RFTA or its designee) shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this resolution.

**Section 8.** This resolution shall be in full force and effect upon its passage and adoption.

PASSED AND ADOPTED on at a regular meeting held this 13<sup>th</sup> day of October, 2016.

ROARING FORK TRANSPORTATION AUTHORITY

By \_\_\_\_\_  
Chair, Board of Directors

Attest:

By \_\_\_\_\_  
Acting Secretary, Board of Directors

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

<b>Meeting Date:</b>	October 13, 2016
<b>Agenda Item:</b>	CEO Treatment of the Public Policy 2.1 Certification
<b>Policy #:</b>	<b>2.1 – TREATMENT OF THE PUBLIC</b>
<b>Strategic Goal:</b>	Update RFTA Board Governance Policies
<b>Presented By:</b>	Dan Blankenship, CEO
<b>Recommendation:</b>	Review and accept the CEO’s certification regarding compliance.
<b>Core Issues:</b>	<ul style="list-style-type: none"> <li>• The RFTA Board adopted a Governance Policy Manual on July 16, 2003 that requires the CEO to certify compliance with Board policies on a periodic basis.</li> <li>• The Board amended policy 2.1 – Treatment of the Public on September 11, 2014.</li> <li>• The schedule for monitoring CEO performance requires the CEO to submit a monitoring report to the Board regarding <b><i>Treatment of the Public – Policy 2.1</i></b>, on an annual basis. This report is due in February each year, however, for 2016, this report is being presented in October due to the additional time required to obtain RFTA’s Purchase Card Industry Data Security Standards compliance certification. Although the compliance certificate was obtained in July, due to a CEO oversight, this 2.1 certification was not placed on the Consent Agenda until October of 2016.</li> <li>• The CEO is reporting compliance.</li> </ul>
<b>Background Info:</b>	See above.
<b>Policy Implications:</b>	The activities of the CEO are governed by Management Limitation policies initially adopted by the RFTA Board of Directors on July 16, 2003, and which were updated in September 2014.
<b>Fiscal Implications:</b>	There are no fiscal implications related to the monitoring reports themselves.
<b>Attachments:</b>	Yes, see the attached monitoring report for <b><i>Treatment of the Public (2.1)</i></b>



## **POLICY TYPE: MANAGEMENT LIMITATIONS**

### **POLICY 2.1**

### **POLICY TITLE: *TREATMENT OF THE PUBLIC***

With respect to interactions with the public, the CEO shall not knowingly cause or allow conditions or procedures that are unfair, unsafe, untimely, unresponsive, disrespectful or unnecessarily intrusive.

Accordingly, he/she shall not:

1. Collect, review, transmit, store or destroy credit card information gathered from the public in a manner that fails to comply with the Purchase Card Industry Data Security Standards.

**CEO Report:** On July 20, 2016 Paul Hamilton, Assistant Director of Finance, notified the CEO that RFTA passed its PCI Security Scan and received the following certification, which is posted on RFTA's website.



#### ***Reporting Compliance.***

2. Fail to clearly communicate to the public what may be expected from the services offered. The public shall be provided an opportunity to comment on proposed “major” service reductions and to any changes in fares at least 30 days prior to implementation of them. Major service changes are defined as:
  - Reductions in service hours for an upcoming season that are greater than 10% when compared to the same season in the previous year;
  - Elimination of a route or a portion of a route (except for seasonal services such as the Bike Express);
  - Reduction in regular headways of 20% or greater;
  - Other changes that RFTA staff may deem significant.

The requirement for an opportunity for public comment on proposed “major” service reductions and to any changes in fares at least 30 days prior to their implementation may be waived by the RFTA Board in the event of an emergency. In the event the emergency waiver is exercised, an opportunity for public comment will be scheduled as quickly as possible after the waiver is exercised or the “major” service reduction or fare change is implemented.

**CEO Report:** Since the last update in March 2015, one service change was proposed by staff that met the above criteria as well as a fare increase on the Maroon Bells service. Public notices were published, two Public Hearings were conducted, and the proposed changes were approved by the Board.

#### ***Reporting Compliance.***

3. Fail to have safety policies and procedures in place and utilized by all employees.
  - a. And shall not fail to obtain a Safety and Security accreditation from Community Transportation Association of America, or a similarly qualified organization, at least every three years beginning in 2014.

**CEO Report:** See CTAA Safety and Security Accreditation, which is valid until October 2017, is attached below. Staff will seek the accreditation again in 2017.

***Reporting Compliance.***

4. Fail to provide an effective complaint and suggestion response process.

**CEO Report:** RFTA has numerous mechanisms for receiving and resolving complaints as follows: [www.rfta.com](http://www.rfta.com) (contact us at [feedback@rfta.com](mailto:feedback@rfta.com)); Twitter (<https://twitter.com/RFTA> ), Facebook (<https://www.facebook.com/RIDE.RFTA>), Rubey Park Information (970-925-8484), word of mouth, and Board Members.

***Reporting Compliance.***

# Community Transportation ASSOCIATION

January 13, 2015

Mr. John Filippone, CSSO  
Safety & Training Manager  
Roaring Fork Transportation Authority  
51 Service Center Road  
Aspen CO 81611

Dear Mr. Filippone,

Congratulations! This letter is to inform you that Roaring Fork Transportation Authority has been awarded full Community Transportation Safety and Security (CTSSA) accreditation for a period of three years by the Community Transportation Association of America.

This premier status was achieved through completion of a desk review and a rigorous on-site review performed October 8-9, 2014 by Michael Noel, a Master Reviewer for this program.

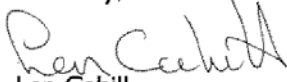
Mr. Noel followed our program's guidelines to conduct a detailed examination in eight critical areas: (1) Leadership and Administration; (2) Transit Operations; (3) Maintenance and Technology; (4) Personnel Management; (5) Training and Development; (6) Safety Initiatives; (7) Security Initiatives; and (8) Emergency Preparedness. We were impressed that this review satisfied our standards in all eight of these areas, with no remedial or corrective action found to be necessary. Naturally, our reviewer found opportunities to further improve and strengthen your operations, which have been discussed with you and your staff.

Achievement of CTSSA accreditation could not be possible without the cooperation and efforts of the board members and staff of the Roaring Fork Transportation Authority. Through full participation in this program, Roaring Fork Transportation Authority has showed its ongoing commitment to the safety and security of the travelling public.

If you have questions or comments about this program and your participation in it, I am happy to be contacted by phone at 202.415.9653, or via e-mail at [cahill@ctaa.org](mailto:cahill@ctaa.org)

Congratulations again!

Sincerely,



Len Cahill

Director, Professional Development Services, CTAA

**RFTA BOARD OF DIRECTORS MEETING**  
**“PUBLIC HEARING” AGENDA SUMMARY ITEM #7. A.**

<b>Meeting Date:</b>	October 13, 2016
<b>Agenda Item:</b>	Resolution 2016-13: 2016 Supplemental Budget Appropriation
<b>Presented By:</b>	Michael Yang, Director of Finance
<b>Options:</b>	Adopt, amend and adopt, or not adopt Supplemental Budget Appropriation Resolution 2016-13
<b>Recommendation:</b>	<b>Adopt Supplemental Budget Appropriation Resolution 2016-13</b>
<b>POLICY #:</b>	<b>2.4.5: Board Job Products</b>
<b>Core Issues:</b>	<p>Based on our ongoing monitoring and new information available, Staff has identified the following 2016 budget appropriations that are needed:</p> <p><b><u>General Fund:</u></b></p> <ol style="list-style-type: none"> <li>1. <b>6 CNG MCI Commuter Coach Buses</b> – The adopted budget reflects the purchase of these replacement buses using \$5 million of proceeds from a lease purchase financing agreement assuming debt service payments starting in 2017. <ol style="list-style-type: none"> <li>a. The total contracted cost is \$4,440,264 (or \$740,044 per bus) and the anticipated delivery is around late October/early November. The proceeds and capital outlay will both need to be reduced accordingly by \$559,736.</li> <li>b. The solicitation process for lease purchase financing took place in September, which included consultation with RFTA’s Financial Advisor and Bond Counsel. The anticipated terms of the lease include a 12-year term at a fixed tax-exempt rate of 1.87%. The debt service payments are anticipated to start as early as November 2016 with estimated monthly payments of \$34,500.</li> <li>c. RFTA was awarded a DOLA grant for \$1,000,422 to fund the incremental cost for CNG for each bus. DOLA acknowledges RFTA’s intent to finance the entire bus purchase. Bond Counsel recommends that upon receipt, these grant funds be restricted in RFTA’s General Fund from other uses to avoid the issue of compulsion, which might cause the lease/purchase agreement not to comply with the annual appropriation requirement. Then, annually over a 10-year period, the restriction shall be removed on one-tenth of the grant amount, or \$100,042, making those funds a current available resource in RFTA’s General Fund.</li> <li>d. This resolution requests the additional appropriations needed: <ol style="list-style-type: none"> <li>i. \$1,000,422 increase in Grant Revenue</li> <li>ii. \$559,736 decrease in Other Financing Sources</li> <li>iii. \$559,736 decrease in Capital Outlay</li> <li>iv. \$69,000 increase in Debt Service</li> </ol> </li> </ol> </li> <li>2. <b>1 Commuter Coach Bus</b> – RFTA was awarded a \$500,000 5311 Capital Grant to fund the purchase of one replacement bus. The total cost for the bus is approximately \$680,000 The resolution requests the additional appropriations needed: <ol style="list-style-type: none"> <li>a. \$500,000 increase in Grant Revenue</li> <li>b. \$680,000 increase in Capital Outlay.</li> </ol> </li> </ol>

	<p>3. <b>Basalt Underpass Project</b> – In accordance with the IGA with the Town of Basalt and Pitkin County, RFTA staff is managing this construction project. Based on information provided by the project manager, approximately \$99,174 of consulting costs are anticipated, where 100% will be reimbursed by the Town of Basalt. This resolution requests the additional appropriations needed:</p> <ul style="list-style-type: none"> <li>a. \$99,174 increase in Capital Outlay</li> <li>b. \$99,174 increase in Other Governmental Contributions</li> </ul> <p>4. <b>Reclassification of Expenditure Type</b> – the budget reflects \$560,000 for the ITSP and \$494,000 for the Upper Valley Mobility Study in its operating budget. This resolution requests the reclassification of these items to the capital budget:</p> <ul style="list-style-type: none"> <li>a. \$1,054,000 decrease in Transit</li> <li>b. \$1,054,000 increase in Capital Outlay</li> </ul> <p><b><u>Service Contract Special Revenue Fund:</u></b></p> <p>5. <b>Additional COA Burlingame Service</b> – the current budget reflected 30 minute service for the City of Aspen’s Burlingame route for the 15/16 winter season and hourly service for the remainder of the year. The City approved continuing the 30 minute service from June 11 through the end of the 16/17 winter season. The allocated cost estimate for the increase in service for the current year is approximately \$350,000, which will be paid for by the City. This resolution requests the additional appropriations needed:</p> <ul style="list-style-type: none"> <li>a. \$350,000 increase in Service Contract Revenue</li> <li>b. \$15,000 increase in Fuel</li> <li>c. \$322,000 increase in Operating</li> <li>d. \$13,000 increase in Capital</li> </ul>						
<b>Policy Implications:</b>	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).”						
<b>Fiscal Implications:</b>	<p>Net increase (decrease) to 2016 fund balance by fund:</p> <table border="1" data-bbox="699 1339 1304 1444"> <tr> <td>General Fund</td> <td>\$ 751,422</td> </tr> <tr> <td>Service Contract SRF</td> <td>-</td> </tr> <tr> <td><b>Total</b></td> <td><b>\$ 751,422</b></td> </tr> </table>	General Fund	\$ 751,422	Service Contract SRF	-	<b>Total</b>	<b>\$ 751,422</b>
General Fund	\$ 751,422						
Service Contract SRF	-						
<b>Total</b>	<b>\$ 751,422</b>						
<b>Attachments:</b>	Yes, please see Resolution 2016-13 attached below.						

Director \_\_\_\_\_ moved adoption of the following Resolution:

**BOARD OF DIRECTORS**

**ROARING FORK TRANSPORTATION AUTHORITY**

**RESOLUTION NO. 2016-13**

**2016 SUPPLEMENTAL BUDGET RESOLUTION**

**WHEREAS**, Pitkin County, Eagle County, the City of Glenwood Springs, the City of Aspen, the Town of Carbondale, the Town of Basalt, and the Town of Snowmass Village (the “Cooperating Governments”) on September 12, 2000, entered into an Intergovernmental Agreement to form a Rural Transportation Authority, known as the Roaring Fork Transportation Authority (“RFTA” or “Authority”), pursuant to title 43, article 4, part 6, Colorado Revised Statutes; and

**WHEREAS**, on November 7, 2000, the electors within the boundaries of the Cooperating Governments approved the formation of a Rural Transportation Authority; and

**WHEREAS**, the Town of New Castle elected to join the Authority on November 2, 2004; and

**WHEREAS**, certain revenues will become available and additional expenditures have become necessary that were not anticipated during the preparation of the 2016 budget; and

**WHEREAS**, upon due and proper notice, published in accordance with the state budget law, said supplemental budget was open for inspection by the public at a designated place, a public hearing was held on, October 13, 2016 and interested taxpayers were given an opportunity to file or register any objections to said supplemental budget.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Roaring Fork Transportation Authority that the following adjustments will be made to the 2016 budget as summarized herein:

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**General Fund**

**Revenue and Other Financing Sources (OFS):**

Type	Amount	Explanation
Grants	\$ 1,000,422	DOLA Capital Grant - 6 CNG MCIs
Other financing sources	(559,736)	True-down Lease Purchase Proceeds - 6 CNG MCIs
Grants	500,000	5311 Capital Grant - bus
Other govt contributions	99,174	Reimbursement from Basalt for consulting costs
<b>Total</b>	<b>\$ 1,039,860</b>	

Revenue & OFS Summary	Previous	Change	Current
Sales tax	\$ 20,678,000	-	\$ 20,678,000
Grants	3,633,100	\$ 1,500,422	5,133,522
Fares	4,594,000	-	4,594,000
Other govt contributions	3,359,890	99,174	3,459,064
Other income	449,140	-	449,140
Other financing sources	5,198,000	(559,736)	4,638,264
<b>Total</b>	<b>\$ 37,912,130</b>	<b>\$ 1,039,860</b>	<b>\$ 38,951,990</b>

**Expenditures and Other Financing Uses (OFU):**

Type	Amount	Explanation
Capital	\$ (559,736)	True-down cost for 6 CNG MCIs
Debt service	69,000	Debt service (2 mo.) on new lease purchase for 6 CNG MCIs
Capital	680,000	1 Commuter Coach bus
Capital	99,174	Consulting costs re: Basalt Underpass
Transit	(494,000)	Reclass expenditure type for Upper Valley Mobility Study
Capital	494,000	Reclass expenditure type for Upper Valley Mobility Study
Transit	(560,000)	Reclass expenditure type for ITSP
Capital	560,000	Reclass expenditure type for ITSP
<b>Total</b>	<b>\$ 288,438</b>	

Expenditures & OFU Summary	Previous	Change	Current
Fuel	\$ 1,548,415	-	\$ 1,548,415
Transit	20,701,231	\$ (1,054,000)	19,647,231
Trails & Corridor Mgmt	452,827	-	452,827
Capital	11,684,837	1,273,438	12,958,275
Debt service	2,318,980	69,000	2,387,980
Other financing uses	3,442,874	-	3,442,874
<b>Total</b>	<b>\$ 40,149,164</b>	<b>\$ 288,438</b>	<b>\$ 40,437,602</b>

**The net change to Fund balance for this amendment is as follows:**

Revenues and other financing sources	\$1,039,860
Less Expenditures and other financing uses	(288,438)
<b>Net increase (decrease) in fund balance</b>	<b>\$ 751,422</b>

**Fund balance Roll Forward: Net Change in Fund balance**

Resolution	Beginning Balance	Change	Ending Balance
			\$ 17,120,011*
2015-20 & 2015-21	\$ 17,120,011	\$ (104,773)	17,015,238
2016-04	17,015,238	(2,361)	17,012,877
2016-06	17,012,877	(60,000)	16,952,877
2016-08	16,952,877	(2,069,900)	14,882,977
2016-09	14,882,977	-	14,882,977
2016-12	14,882,977	751,422	15,634,399
<b>Total Net Change</b>		<b>\$(1,485,612)</b>	

\* Audited

**Service Contract Special Revenue Fund**

**Revenue and Other Financing Sources (OFS):**

Type	Amount	Explanation
Service contract revenue	\$ 350,000	COA's additional BG service 6/11/16-12/31/16
<b>Total</b>	<b>\$ 350,000</b>	

Revenue & OFS Summary	Previous	Change	Current
Service contract revenue	\$ 9,751,273	\$ 350,000	\$ 10,101,273
Grant revenue	30,000	-	30,000
Other financing sources	166,097	-	166,097
<b>Total</b>	<b>\$ 9,947,370</b>	<b>\$ 350,000</b>	<b>\$ 10,297,370</b>

**Expenditures and Other Financing Uses (OFU):**

Type	Amount	Explanation
Fuel	\$ 15,000	COA's additional BG service
Operating	322,000	COA's additional BG service
Capital	13,000	COA's additional BG service
<b>Total</b>	<b>\$ 350,000</b>	

Expenditures & OFU Summary	Previous	Change	Current
Fuel	\$ 744,885	\$ 15,000	\$ 759,885
Operating	8,459,831	322,000	8,781,831
Capital	742,654	13,000	755,654
<b>Total</b>	<b>\$ 9,947,370</b>	<b>\$ 350,000</b>	<b>\$ 10,297,370</b>

**The net change to Fund balance for this amendment is as follows:**

Revenues and other financing sources	\$ 350,000
Less Expenditures and other financing uses	(350,000)
<b>Net increase (decrease) in fund balance</b>	<b>\$ -</b>



**Fund balance Roll Forward: Net Change in Fund balance**

<b>Resolution</b>	<b>Beginning Balance</b>	<b>Change</b>	<b>Ending Balance</b>
			\$ - *
2015-20 & 2015-21	-	-	-
2016-04	-	-	-
2016-12	-	-	-
<b>Total Net Change</b>		-	

\* Audited

That the amended budget as submitted and herein above summarized be, and the same hereby is approved and adopted as the amended 2016 budget of the Roaring Fork Transportation Authority, and be a part of the public records of the Roaring Fork Transportation Authority.

That the amended budget as hereby approved and adopted shall be signed by the Chair of the Roaring Fork Transportation Authority.

**INTRODUCED, READ AND PASSED** by the Board of Directors of the Roaring Fork Transportation Authority at its regular meeting held the 13<sup>th</sup> day of October, 2016.

ROARING FORK TRANSPORTATION AUTHORITY  
By and through its BOARD OF DIRECTORS:

By: \_\_\_\_\_  
Jeanne McQueeney, Chair

I, the Secretary of the Board of Directors (the "Board") of the Roaring Fork Transportation Authority (the "Authority") do hereby certify that (a) the foregoing Resolution was adopted by the Board at a meeting held on October 13, 2016 (b) the meeting was open to the public; (c) the Authority provided at least 48 hours' written notice of such meeting to each Director and Alternate Director of the Authority and to the Governing Body of each Member of the Authority; (d) the Resolution was duly moved, seconded and adopted at such meeting by the affirmative vote of at least two-thirds of the Directors then in office who were eligible to vote thereon voting; and (e) the meeting was noticed, and all proceedings relating to the adoption of the Resolution were conducted, in accordance with the Roaring Fork Transportation Authority Intergovernmental Agreement, as amended, all applicable bylaws, rules, regulations and resolutions of the Authority, the normal procedures of the Authority relating to such matters, all applicable constitutional provisions and statutes of the State of Colorado and all other applicable laws.

WITNESS my hand this \_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
(Acting Secretary to the Board)

**RFTA BOARD OF DIRECTORS MEETING  
PRESENTATIONS/ACTION AGENDA SUMMARY ITEM # 8. A.**

<b>Meeting Date:</b>	October 13, 2016
<b>Agenda Item:</b>	Identification and Prioritization of Board Policy Issues for Future Board Meetings
<b>POLICY #:</b>	<b>4.1.2 Governing Style and Values</b>
<b>Presented By:</b>	Dan Blankenship, CEO
<b>Staff Recommends:</b>	Identify and prioritize Board policy issues for discussion at future Board meetings.
<b>Core Issues:</b>	<ol style="list-style-type: none"> <li>1. The Board has indicated that it would like to spend more Board meeting time addressing policy issues and decisions.</li> <li>2. Staff needs the Board's assistance in identifying and prioritizing policy issues it would like to discuss and formulate policies regarding over the next year. Once policy issues have been identified and prioritized, staff will incorporate time on each upcoming Board meeting agenda for policy discussions and formulation.</li> <li>3. Following is a list of several 2016 Strategic Retreat Parking Lot and staff generated issues that may provide some ideas for the Board: <ol style="list-style-type: none"> <li>a. 5-year versus 10-year strategic plan (as opposed to a 15-year financial forecast which RFTA currently has)</li> <li>b. Development of budget and financial policies as recommended by Financial Advisor</li> <li>c. Development of qualitative performance measures</li> <li>d. Review of RFTA fare policy</li> <li>e. Review of RFTA non-profit grant threshold of \$50,000</li> <li>f. Consumption of alcoholic beverages on buses</li> <li>g. RFTA role in supporting WE-cycle</li> <li>h. Contract versus in-house security and enforcement powers</li> <li>i. Other</li> </ol> </li> </ol>
<b>Background Info:</b>	See Core Issues above.
<b>Policy Implications:</b>	Board Governance Process Policy 4.1.2 states, " The Board will direct, control and lead the organization through the careful establishment of written policies reflecting the Board's values and perspectives. The Board's major focus will be on RFTA's intended long-term impacts, with appropriate regard to the administrative or programmatic means of attaining those effects."
<b>Fiscal Implications:</b>	None at this time.
<b>Attachments:</b>	None.

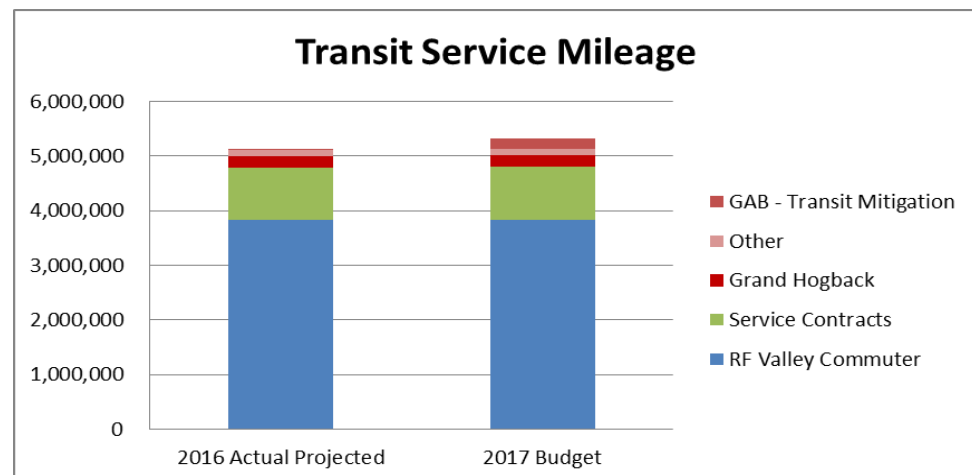
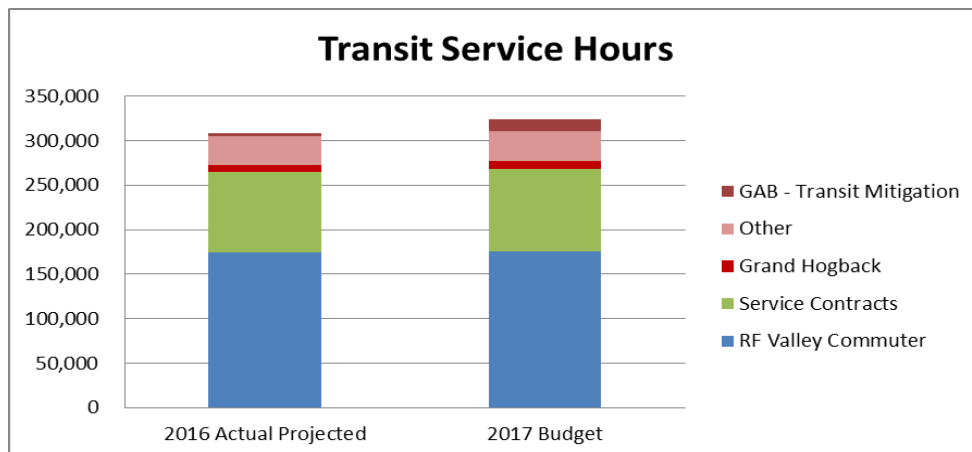
**RFTA BOARD OF DIRECTORS MEETING  
PRESENTATIONS AGENDA SUMMARY ITEM #8. B.**

<b>Meeting Date:</b>	October 13, 2016
<b>Agenda Item:</b>	Presentation of Second Draft of 2017 RFTA Budget
<b>POLICY #:</b>	<b>4.2.5 Board Job Products</b>
<b>Staff Recommends:</b>	Approve prioritization and assumptions of the 2017 Budget with revisions as the Board feels necessary
<b>Presented By:</b>	Michael Yang, Director of Finance
<b>Core Issues:</b>	Limited financial resources for 2017 Budget require the establishment of priorities and expenditures assumptions to meet the 2017 budget goals established by the Board at the August 2016 Board meeting.
<b>Background Info:</b>	<p>At the August 2016 Board meeting, staff presented the 2017 budget initiatives, assumptions and issues. The 1<sup>st</sup> draft of the 2017 budget was prepared based on the approved budget initiatives and assumptions and presented at the September Board meeting.</p> <p>The 2<sup>nd</sup> draft of the 2017 budget reflects revised estimates and other items based on new information made available since last month. The budget is a work-in-progress and will be refined in October as more actual expenditure and revenue data become available, which can affect the General Fund's current forecast for 2016.</p> <p>The 2<sup>nd</sup> draft of the budget will be presented in the following order (<i>with updates highlighted in yellow</i>):</p> <ol style="list-style-type: none"> <li>1. Services</li> <li>2. Issues</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 &amp; Operating Reserves</li> <li>10. Background information</li> </ol>
<b>Policy Implications:</b>	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)."
<b>Fiscal Implications:</b>	Finite resources will require prioritization of Authority projects; revenue and expenditures assumptions could affect Fund balance.
<b>Attachments:</b>	Yes, please see 2017 2 <sup>nd</sup> Draft Budget presentation on the following pages.

# 2017 RFTA BUDGET – 2<sup>nd</sup> DRAFT PRESENTATION

## 1. Services

- Assumes status quo service levels with updates for seasonal changes.
  - Increased service levels for the City of Aspen’s Burlingame route have been approved through the 2016/2017 winter season. The City has indicated the *likelihood* of extending the increased service levels for the entire 2017 year; a decision is anticipated to be reached at the City’s budget meeting on October 18<sup>th</sup>. **The budget assumes increased levels of service on the Burlingame route for the entire year.** *The final 2017 budget will be modified if the City doesn’t approve the increased service.*
  - Grand Avenue Bridge (GAB) Project – **The budget assumes a 117-day GAB closure from 8/14/17-12/8/17 (previously assumed 90-days) and the following adjustments to service levels:**
    - **The GAB Transit Mitigation plan reflects the following during the closure period:**
      - **New temporary GAB service (27<sup>th</sup> St. to Amtrak, West Glenwood PNR to 27<sup>th</sup> St., West Glenwood PNR to North Bridge, and Parachute to North Bridge): +12,500 hours and +181,200 miles**
    - **Adjustments to existing routes during the closure period:**
      - **Regional Routes: +3,100 hours and +24,200 miles**
      - **RGS Routes: +270 hours and -14,200 miles; the estimated net impact to the RGS Service Contract is approximately \$3,000 or 0.4% of the initial contract estimate.**
- Staff anticipates to fine tune the service plan as needed for the final budget presentation in November.**



## 2. Challenges, Issues and Opportunities

- 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 analysis for estimate preparation. Staff reached out to each Finance Department to obtain their sales tax estimate for 2017. 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. As a result, the preliminary overall increase is approximately 2%.
- Transit fuel prices are known to be volatile. Similar to previous years, management obtained a fixed price transit diesel and gasoline fuel contracts in to manage this volatility. Currently, approximately *95% of our needs have been locked*. The budget reflects a 21% decrease from the current year's weighted average cost per diesel gallon.
- *While the cost of health care continues to increase, RFTA's County Health Pool renewal rates were relatively unchanged. Overall, the Pool had a 3% increase in claims; however, RFTA's loss ratio decreased resulting in a shift down from Rate Band 5 to 4. Employee contribution amounts will stay the same.*
  - *Medical: -0.3%*
  - *Dental: +3%*
  - *Life and Vision: no change*
- Historically, the high cost of living in the Roaring Fork Valley has negatively affected the Authority's ability to hire and retain qualified personnel. Management continues to review and refine the Authority'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 compensation review, a market survey will be conducted for several "hard-to-recruit" positions as identified by management and any potential adjustments will be identified and considered, as needed. Wage adjustments for full-time bus operators are scheduled in accordance with the Collective Bargaining Unit (CBU) contract.
- Management will continue to develop a funding strategy for the short and long term capital needs, which may include: financing options, seeking out grant opportunities, the use of reserves in fund balance, seeking additional revenue streams dedicated to capital replacement, and reducing operating expenditures. Staff will continue to focus on bus replacements and the multi-phased GMF expansion project to determine how best to accomplish these.

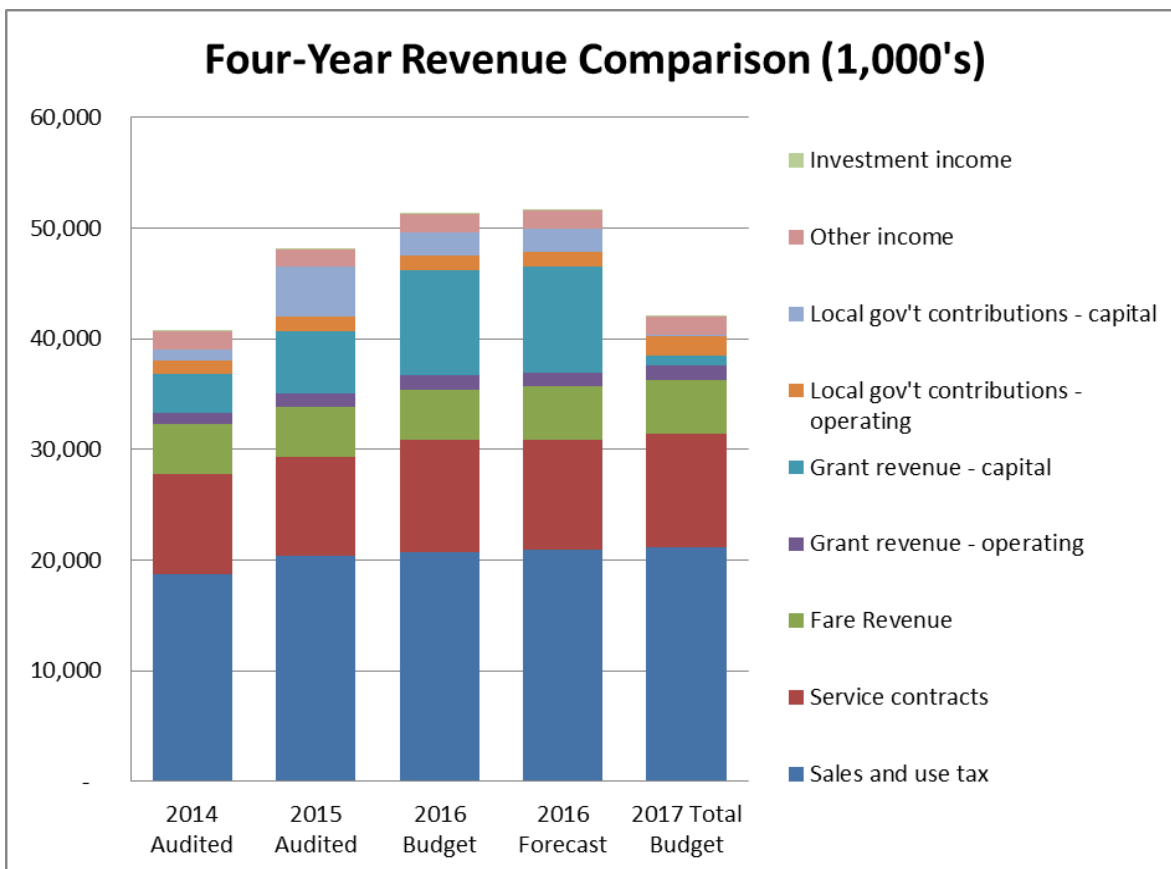
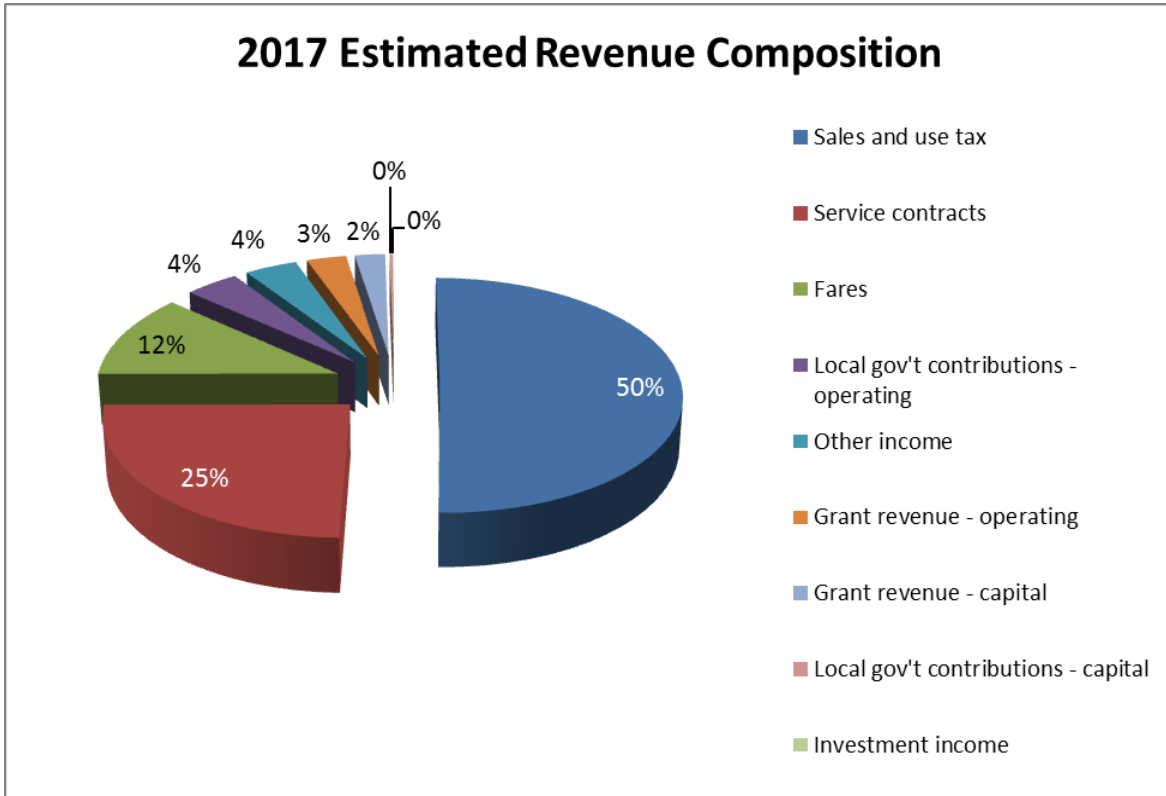
### 3. Consolidated Financial Overview

(1,000's)	General Fund	Service Contracts	Bus Stops/ PNR SRF	Mid Valley Trails SRF	Capital Projects Fund*	Debt Service Fund	2017 Total Budget	%
<b>Beginning fund balance (Budget).</b>	\$ 15,635	\$ -	\$ 97	\$ 148	\$ -	\$ 2,771	\$ 18,652	
<b>Revenues:</b>								
Sales and use tax	\$ 21,089	\$ -	\$ -	\$ 50	\$ -	\$ -	\$ 21,139	50%
Service contracts	\$ -	\$ 10,323	\$ -	\$ -	\$ -	\$ -	\$ 10,323	25%
Operating revenue (fares)	\$ 4,852	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,852	12%
Grant revenue - operating	\$ 1,215	\$ 30	\$ -	\$ -	\$ -	\$ -	\$ 1,245	3%
Grant revenue - capital	\$ 950	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 950	2%
Local gov't contrib - operating	\$ 1,376	\$ 335	\$ -	\$ -	\$ -	\$ -	\$ 1,711	4%
Local gov't contrib - capital	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100	0%
Other income	\$ 485	\$ -	\$ 480	\$ -	\$ -	\$ 679	\$ 1,644	4%
Investment income	\$ 18	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18	0%
<b>Total revenue</b>	<b>\$ 30,085</b>	<b>\$ 10,688</b>	<b>\$ 480</b>	<b>\$ 50</b>	<b>\$ -</b>	<b>\$ 679</b>	<b>\$ 41,981</b>	<b>100%</b>
<b>Program expenditures:</b>								
Fuel	\$ 1,407	\$ 785	\$ -	\$ -	\$ -	\$ -	\$ 2,192	51%
Transit	\$ 20,361	\$ 10,212	\$ 700	\$ -	\$ -	\$ -	\$ 31,274	76%
Trails & Corridor Mgmt	\$ 459	\$ -	\$ -	\$ 24	\$ -	\$ -	\$ 482	1%
<b>Subtotal operating exp.</b>	<b>\$ 22,227</b>	<b>\$ 10,997</b>	<b>\$ 700</b>	<b>\$ 24</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 33,948</b>	<b>82%</b>
Capital	\$ 2,063	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,063	5%
Debt Service	\$ 1,898	\$ -	\$ -	\$ -	\$ -	\$ 3,366	\$ 5,264	13%
<b>Total expenditures</b>	<b>\$ 26,187</b>	<b>\$ 10,997</b>	<b>\$ 700</b>	<b>\$ 24</b>	<b>\$ -</b>	<b>\$ 3,366</b>	<b>\$ 41,275</b>	<b>100%</b>
<b>Other financing sources</b>	<b>\$ -</b>	<b>\$ 310</b>	<b>\$ 220</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,688</b>	<b>\$ 3,218</b>	
<b>Other financing (uses)</b>	<b>\$ (3,218)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (3,218)</b>	
<b>Change in Fund Balance</b>	<b>\$ 680</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 26</b>	<b>\$ -</b>	<b>\$ (0)</b>	<b>\$ 706</b>	
<b>Ending fund balance</b>	<b>\$ 16,315</b>	<b>\$ 0</b>	<b>\$ 97</b>	<b>\$ 175</b>	<b>\$ -</b>	<b>\$ 2,771</b>	<b>\$ 19,358</b>	

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

\*While the 2016 budget reflects that the remaining capital project funds are to be expended, any unexpended budget will need to be re-budgeted in 2017. These capital projects include the Aspen Maintenance Facility (AMF) Recommissioning Project and Glenwood Maintenance Facility (GMF) Improvements and West Glenwood Park and Ride Project.

#### 4. Estimated Revenue Composition & Assumptions



Revenues (in thousands)	2014	2015	2016	2016	2017	\$ Dif	% Dif
	Audited	Audited	Budget	Forecast	Budget		
Sales and use tax	\$ 18,786	\$ 20,444	\$ 20,728	\$ 20,927	\$ 21,139	\$ 411	2%
Service contracts	8,997	8,926	10,101	9,972	10,323	222	2%
Fare Revenue	4,497	4,485	4,594	4,825	4,852	258	6%
Grant revenue - operating	1,015	1,145	1,245	1,245	1,245	-	0%
Local gov't contrib - operating	1,262	1,332	1,364	1,364	1,711	347	25%
Other income	1,610	1,564	1,594	1,661	1,644	50	3%
Investment income	23	27	14	16	18	4	29%
<b>Subtotal Revenues - Operating</b>	<b>\$ 36,189</b>	<b>\$ 37,922</b>	<b>\$ 39,640</b>	<b>\$ 40,010</b>	<b>\$ 40,931</b>	<b>\$ 1,291</b>	<b>3%</b>
Local gov't contributions - capital	1,001	4,445	2,095	2,095	100	(1,995)	-95%
Grant revenue - capital	3,491	5,693	9,503	9,503	950	(8,553)	-90%
<b>Subtotal Revenues - Capital</b>	<b>\$ 4,492</b>	<b>\$ 10,137</b>	<b>\$ 11,598</b>	<b>\$ 11,598</b>	<b>\$ 1,050</b>	<b>\$ (10,548)</b>	<b>-91%</b>
<b>Total</b>	<b>\$ 40,681</b>	<b>\$ 48,060</b>	<b>\$ 51,238</b>	<b>\$ 51,608</b>	<b>\$ 41,981</b>	<b>\$ (9,257)</b>	<b>-18%</b>

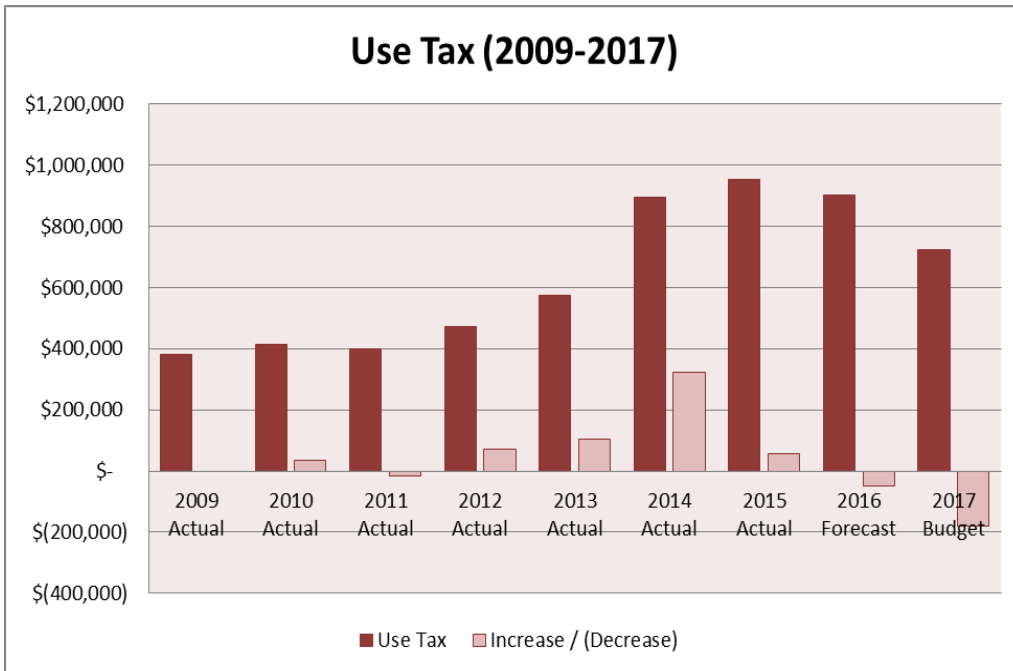
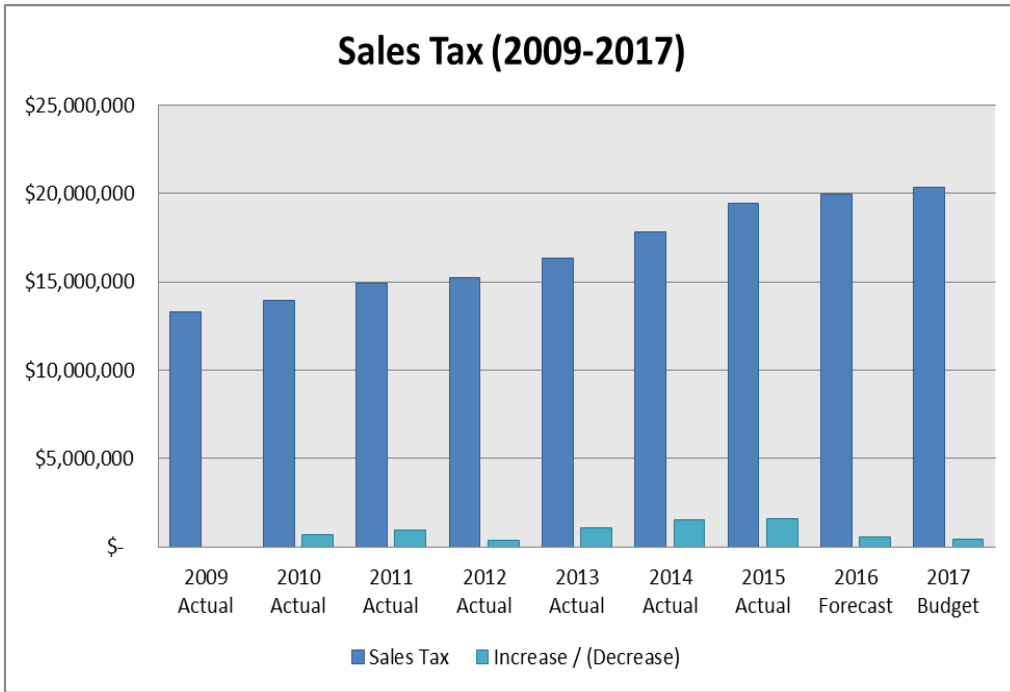
- Sales Tax revenues are dedicated taxes collected from member jurisdictions based on intergovernmental agreements. The chart below shows estimates by jurisdiction:

Member Jurisdictions	2017 % Increase
Aspen	3.0%
Basalt*	2.5%
Carbondale	2.0%
Glenwood Springs*	2.0%
Eagle County	2.0%
New Castle	4.0%
Pitkin County	2.5%
Snowmass Village	3.0%

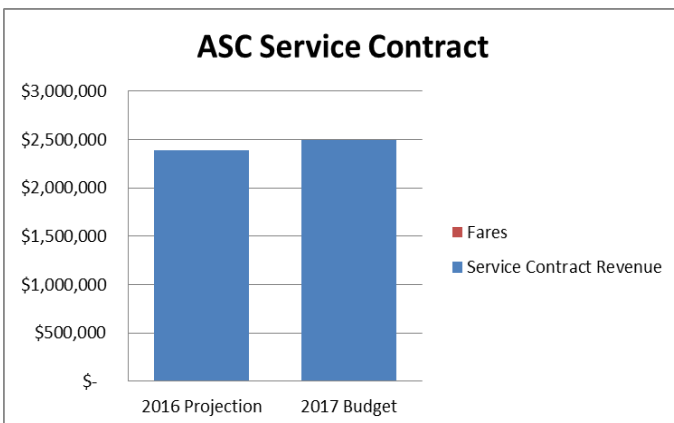
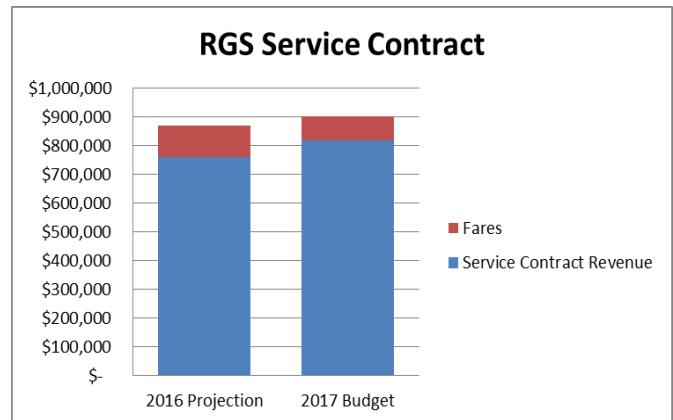
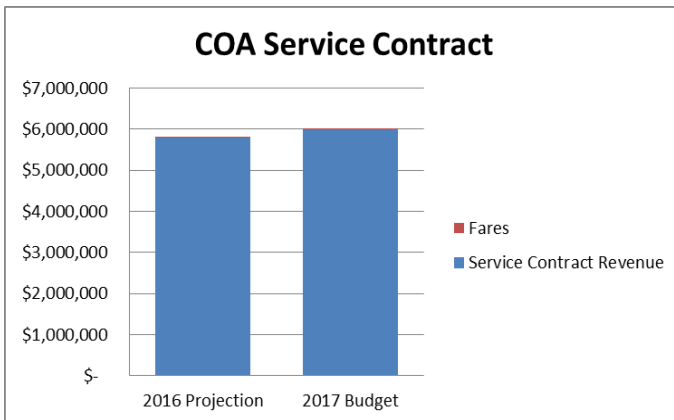
\*Assumptions by RFTA until information is provided by the jurisdiction.

- Jurisdictions remain cautiously optimistic with their estimates as the large increases over the last few years and the rate of growth may be difficult to maintain:





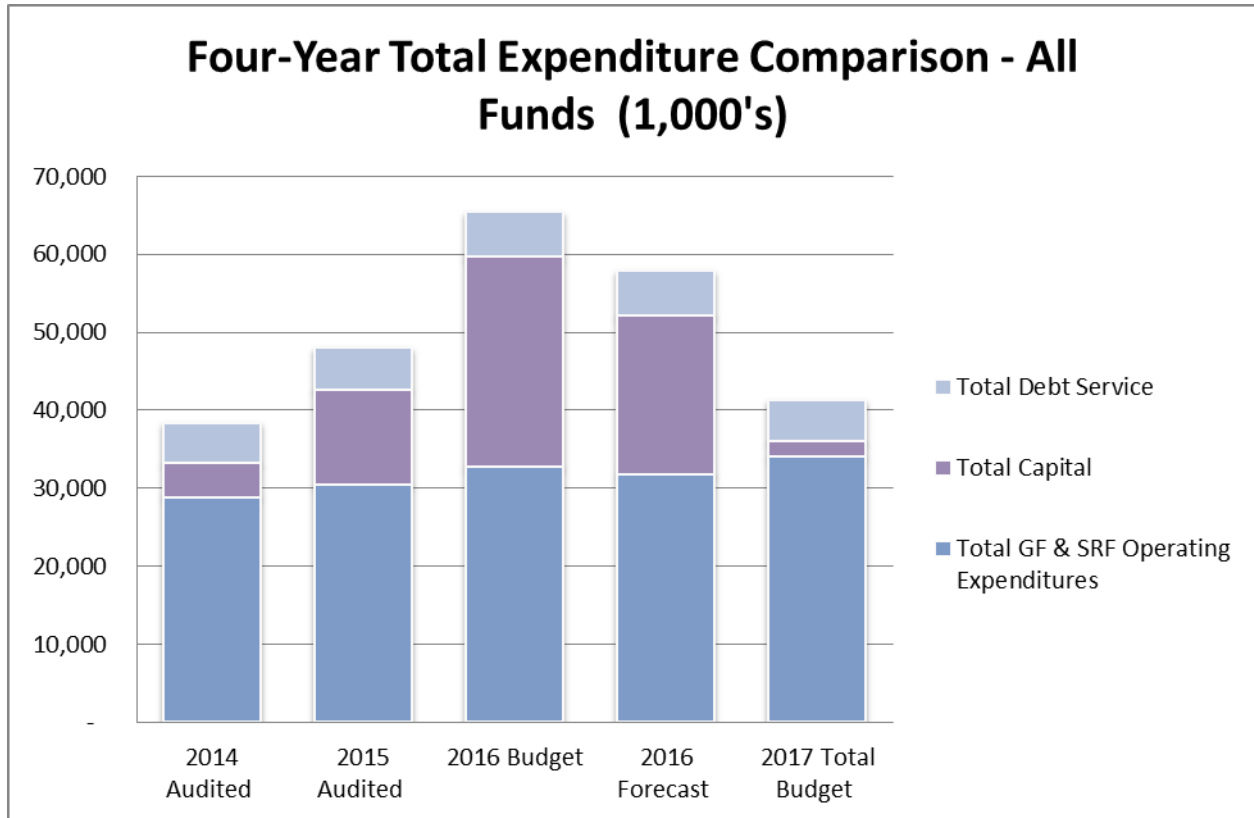
- **Service contract revenues** are for contracted transit services which are billed based on miles and hours by route. The Authority has service contract agreements with the City of Aspen, the City of Glenwood Springs, the Aspen Skiing Company, and Garfield County (Travelers Program);
  - The Authority estimated hours and miles by route for each service contract agreement and calculated costs in accordance with each service contract agreement. *The charts below illustrate the types of revenue sources received from each contracted service:*



- **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 service;
  - 0.5% increase in transit fares as a result of anticipated increase in regional ridership while taking into consideration a conservative estimate of \$64,000 in lost fare revenues during the temporary “no-fare” on the Grand Hogback bus services during the estimated 90-day GAB closure as part of the transit mitigation efforts for CDOT’s GAB Project.
  - At this time, there is no upward fare adjustment planned for 2017.
- **Operating and capital grant revenues** from the Federal Transit Administration and the Colorado Department of Transportation;
  - \$1,014,500 from the FTA Section 5311 operating grant (flat from 2016);
  - \$200,000 from CDOT FASTER operating grant (flat from 2016);
  - *\$950,000 from CDOT FASATER capital grants to fund two transit bus replacements;*
  - Staff continues to seek capital grant opportunities 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 to be presented in November.

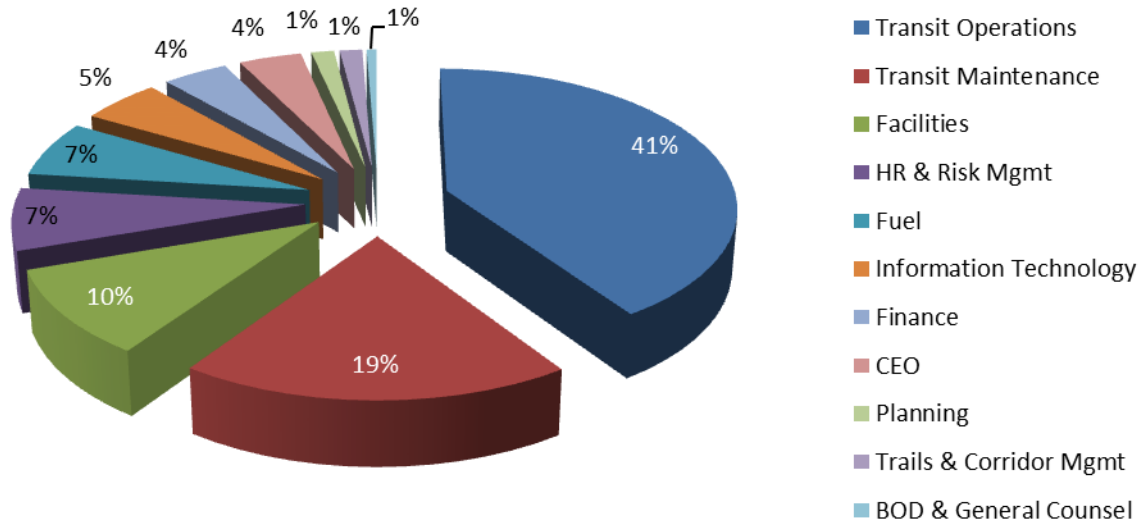
- **Local governmental contributions** are received to primarily help fund transit programs;
  - The Elected Officials Transportation Committee (EOTC):
    - Will continue to provide funding for the no-fare Aspen/Snowmass regional transit service. Using the agreed-upon methodology, the contribution is calculated to be approximately \$612,961 reflecting a 1.4% decrease. Staff has confirmed the EOTC contribution amount.
    - \$335,000 contribution to help fund the GAB transit mitigation plan for the temporary Rifle/Parachute service during the GAB closure. *Note that the cost estimate was based on the initial assumption of a 90-day closure period with 5-day/week service. However, the current assumption of a 117-day closure period with daily service has increased the cost by approximately \$146,000 for a total cost estimate of \$481,000. The budget assumes RFTA is funding this increase.*
  - *Confirmed Garfield County's support for the Grand Hogback bus service will increase by 3% from \$682,500 to \$703,000.*
  - 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 2009B Build America Bonds and Series 2012A and 2013A Qualified Energy Conservation Bonds in the Debt Service Fund.
  - Assumes year-round employee housing rental revenue will remain the same.
  - Assumes vehicle registration fees will remain the same.
  - Assumes a 6.8% 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)	2014	2015	2016	2016	2017	17/16 Budget	
	Audited	Audited	Budget	Forecast	Budget	\$ Dif	% Dif
Fuel	\$ 1,914	\$ 1,717	\$ 1,548	\$ 1,523	\$ 1,407	\$ (141)	-9%
Transit Maintenance	3,737	4,376	4,305	4,170	4,420	115	3%
Transit Operations	7,447	8,023	8,344	8,283	8,816	472	6%
Administration	3,711	4,134	4,846	4,616	5,098	252	5%
Facilities	1,632	1,787	1,999	1,631	1,878	(121)	-6%
Attorney & Board of Directors	151	220	153	145	148	(5)	-3%
Trails & Corridor Mgmt	438	444	453	440	459	6	1%
<b>Total GF Operating Exp.</b>	<b>\$ 19,030</b>	<b>\$ 20,702</b>	<b>\$ 21,648</b>	<b>\$ 20,808</b>	<b>\$ 22,227</b>	<b>\$ 578</b>	<b>3%</b>
SRF - Service Contracts	9,167	9,118	10,297	10,211	10,997	700	7%
SRF - Bus Shelter / PNR	582	479	627	665	700	74	12%
SRF - Mid Valley Trails	19	19	66	36	24	(42)	-64%
<b>Total GF &amp; SRF Operating Exp.</b>	<b>\$ 28,797</b>	<b>\$ 30,318</b>	<b>\$ 32,638</b>	<b>\$ 31,720</b>	<b>\$ 33,948</b>	<b>\$ 1,310</b>	<b>4%</b>
GF - Capital Outlay	2,170	12,003	12,958	13,065	2,063	(10,896)	-84%
Capital Projects Fund	2,212	290	13,973	7,282	-	(13,973)	-100%
<b>Total Capital</b>	<b>\$ 4,383</b>	<b>\$ 12,293</b>	<b>\$ 26,932</b>	<b>\$ 20,347</b>	<b>\$ 2,063</b>	<b>\$ (24,869)</b>	<b>-92%</b>
GF - Debt Service	2,276	2,339	2,387	2,387	1,898	(489)	-21%
Debt Service Fund	2,878	2,948	3,358	3,358	3,366	8	0%
<b>Total Debt Service</b>	<b>\$ 5,154</b>	<b>\$ 5,288</b>	<b>\$ 5,745</b>	<b>\$ 5,745</b>	<b>\$ 5,264</b>	<b>\$ (481)</b>	<b>-8%</b>
<b>Total Expenditures - all funds</b>	<b>\$ 38,334</b>	<b>\$ 47,899</b>	<b>\$ 65,315</b>	<b>\$ 57,813</b>	<b>\$ 41,275</b>	<b>\$ (24,040)</b>	<b>-37%</b>

## 2017 Budgeted Operating Expenditures by Department



Department (1,000's)	General Fund	Service Contracts	Bus		Mid Valley		2017 Total Budget	%
			Stops/ PNR SRF	SRF	Trails SRF	SRF		
Fuel	\$ 1,407	\$ 785	\$ -	\$ -	\$ -	\$ -	\$ 2,192	6%
Transit Maintenance	\$ 4,420	\$ 2,069	\$ -	\$ -	\$ -	\$ -	\$ 6,489	19%
Transit Operations	\$ 8,816	\$ 4,946	\$ -	\$ -	\$ -	\$ -	\$ 13,763	41%
CEO	\$ 925	\$ 415	\$ -	\$ -	\$ -	\$ -	\$ 1,340	4%
Finance	\$ 967	\$ 434	\$ -	\$ -	\$ -	\$ -	\$ 1,401	4%
Planning	\$ 333	\$ 150	\$ -	\$ -	\$ -	\$ -	\$ 483	1%
HR & Risk Mgmt	\$ 1,684	\$ 756	\$ -	\$ -	\$ -	\$ -	\$ 2,440	7%
Information Technology	\$ 1,188	\$ 533	\$ -	\$ -	\$ -	\$ -	\$ 1,722	5%
Facilities	\$ 1,878	\$ 843	\$ 700	\$ -	\$ -	\$ -	\$ 3,422	10%
BOD & General Counsel	\$ 148	\$ 66	\$ -	\$ -	\$ -	\$ -	\$ 214	1%
Trails & Corridor Mgmt	\$ 459	\$ -	\$ -	\$ -	\$ 24	\$ -	\$ 482	1%
<b>Total</b>	<b>\$ 22,227</b>	<b>\$ 10,997</b>	<b>\$ 700</b>	<b>\$ 24</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 33,948</b>	<b>100%</b>

- **Compensation Adjustments:**

- The Collective Bargaining Unit (CBU) comprised of full-time bus operators are subject to scheduled pay increases in accordance with their contract. Assuming 144 full-time bus operators, the average increase is about 4.5% resulting in an additional cost of \$335,000.
- For positions outside of the CBU, the budget assumes a merit increase of up to 4% effective at each employee's next performance review date, resulting in an additional cost of \$239,000. As a reference, the chart below illustrates the impacts for each merit increase scenario:

**Merit Increase Analysis (1,000's)**

Merit Increase Scenario	Bus		Service	
	General Fund	Stop/PNR SRF	Contract SRF (Traveler)	Total
1.0%	\$ 57	\$ 1	\$ 1	\$ 60
	0.31%	0.52%	0.23%	0.32%
2.0%	\$ 113	\$ 2	\$ 4	\$ 119
	0.61%	1.04%	0.93%	0.63%
3.0%	\$ 171	\$ 3	\$ 6	\$ 179
	0.93%	1.56%	1.40%	0.94%
4.0%	\$ 227	\$ 4	\$ 8	\$ 239
	1.23%	2.08%	1.87%	1.26%

- **The Authority received four requests for funding totaling \$67,500, which is currently reflected in the budget; however, RFTA policy limits the amount of funding devoted to grants to \$50,000 per year. Staff recommends that the Board consider funding the full \$67,500 and, at a future meeting, re-evaluate the policy threshold (the 2016 budget reflects \$54,000 of funding):**
  - \$35,000 from WE-cycle, a 501(c)(3) non-profit organization to support operational costs (\$25,000 for Aspen system and \$10,000 for new Basalt system);
  - \$25,000 from Garfield Clean Energy to support three key program areas:
    - (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 admin, outreach, education, website and reporting.
  - \$4,000 from Northwest Colorado Council of Governments to help fund the match for their Section 5310 Mobility Management grant from CDOT.
  - \$3,500 from Lower Valley Trails Group (LoVa) to support operational costs.
- **Approximately \$2,063,000 of capital outlay has been budgeted:**
  - \$1.34 million for two bus replacements (with \$950,000 of capital grant awards)
  - \$722,500 for recurring capital needs, including engine and transmission rebuilds, facility and trail improvements, and minor IT equipment
  - This may change as we finalize the budget for November. Some items that are not included in the budget are:
    - Bus refurbishments: estimated cost of \$750,000 to refurbish 5 buses which have already reached the end of their useful life. Note that the 2016 budget includes 4 bus refurbishments.
    - Traveler van replacements: estimate cost of \$230,000 for two replacement vehicles with a potential grant award of \$161,000 and local match of \$69,000.
  - At a future meeting early next year, staff anticipates presenting to the Board a supplemental budget appropriation resolution in order to roll-forward any unexpended capital budget from 2016 to 2017 due to timing issues.

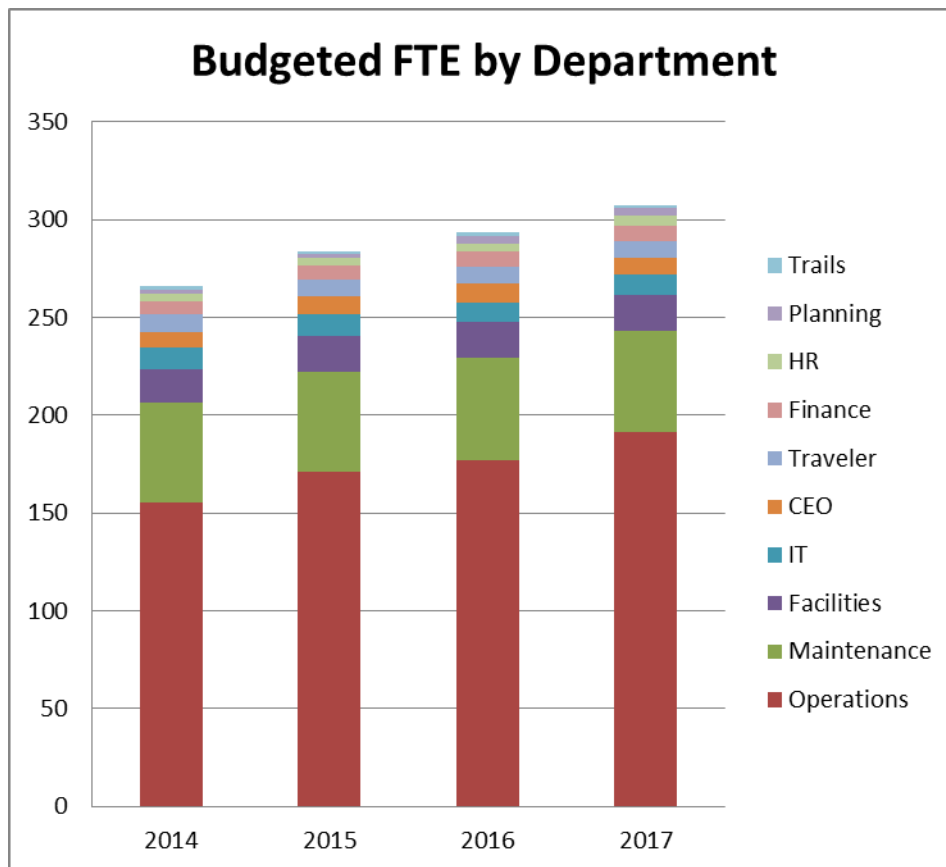
- Certain expenditures will be added into the budget through supplemental budget appropriation resolutions during the budget year when funding is available.

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

- Approximately **\$220,000** of current available resources will 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.
- *Approximately \$309,600 of current available resources will be transferred from the General Fund to the Service Contract Special Revenue Fund. Of this amount, approximately \$163,600 represents RFTA's continued contribution to the Traveler Program on behalf of its members located in Garfield County, and approximately \$146,000 represents RFTA's funding for the estimated shortfall on the revised preliminary GAB Transit Mitigation Plan.*
- In accordance with bond resolutions, approximately \$2.7 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 2009, 2012, 2013 and anticipated 2016 bonds.

## **7. Staffing**

- Assumes **307.4 full-time equivalents** compared to 293.2 budgeted in 2016. This increase is found primarily in the Operations Department for additional bus operators to support the temporary GAB transit mitigation service plan:



## 8. Major Goals

Budget status of the 2017 major goals identified in the preliminary 2017 5-Year Strategic Plan document:

Items included in draft budget:

- Provide ongoing support for WE-Cycle.
- GAB transit mitigation plan (draft)
- Complete all sections of the updated Rio Grande Railroad Corridor Comprehensive Plan
- Two bus replacements

Items not reflected in draft budget:

- Undertake Stages 3 and 4 of Phase I of the ITSP – *at this time, costs have not been finalized; the initial estimate was around \$560,000.*
- Bus refurbishments – *the solicitation is currently underway; the estimated cost is approximately 750,000 for 5 buses; however, once bids are received we will be able to fine tune the cost.*

## 9. Fund Balance & Operating Reserves

(1,000's)	General Fund	Service Contracts	Bus Stops/ PNR	Mid Valley Trails	Capital Projects Fund	Debt Service Fund	Total
<b>Beginning fund balance (budgeted)</b>	\$ 15,635	\$ -	\$ 97	\$ 148	\$ -	\$ 2,771	\$ 18,652
Revenues	\$ 30,085	\$ 10,688	\$ 480	\$ 50	\$ -	\$ 679	\$ 41,981
Expenditures	\$ (26,187)	\$ (10,997)	\$ (700)	\$ (24)	\$ -	\$ (3,366)	\$ (41,275)
Other financing source/(use)	\$ (3,218)	\$ 310	\$ 220	\$ -	\$ -	\$ 2,688	\$ -
Change in net assets	\$ 680	\$ 0	\$ -	\$ 26	\$ -	\$ -	\$ 706
<b>Ending fund balance</b>	<b>\$ 16,315</b>	<b>\$ 0</b>	<b>\$ 97</b>	<b>\$ 175</b>	<b>\$ -</b>	<b>\$ 2,771</b>	<b>\$ 19,358</b>

### Ending fund balance composition:

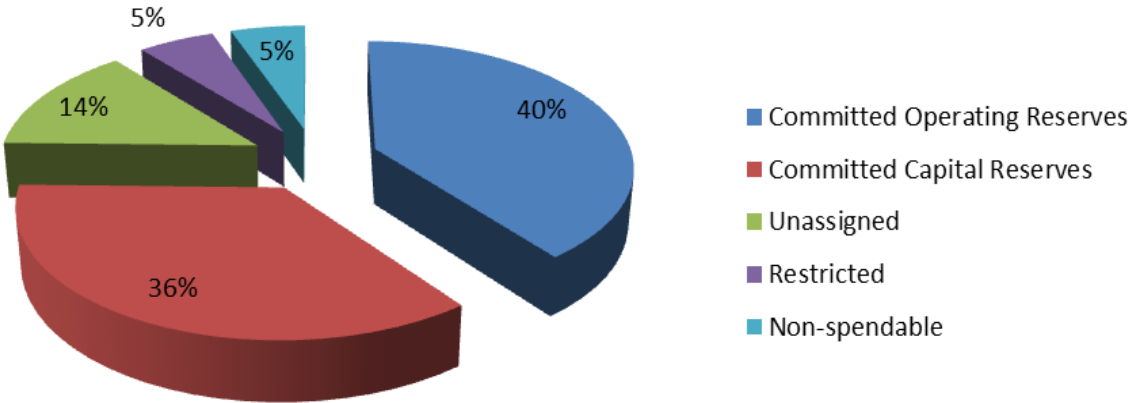
<b>Non-spendable fund balance</b>	\$ 883						\$ 883
<b>Restricted fund balance</b>	\$ 903	\$ -	\$ 97	\$ 175	\$ -	\$ 2,771	\$ 3,945
<b>Committed fund balance:</b>							
Operating reserves	\$ 6,466						\$ 6,466
Facilities capital reserves	\$ 539						\$ 539
Transit capital reserves	\$ 4,450						\$ 4,450
Trails capital reserves	\$ 839						\$ 839
<b>Unassigned fund balance</b>	\$ 2,237						\$ 2,237
<b>Ending fund balance</b>	<b>\$ 16,315</b>	<b>\$ -</b>	<b>\$ 97</b>	<b>\$ 175</b>	<b>\$ -</b>	<b>\$ 2,771</b>	<b>\$ 19,358</b>

### Fund balance definition

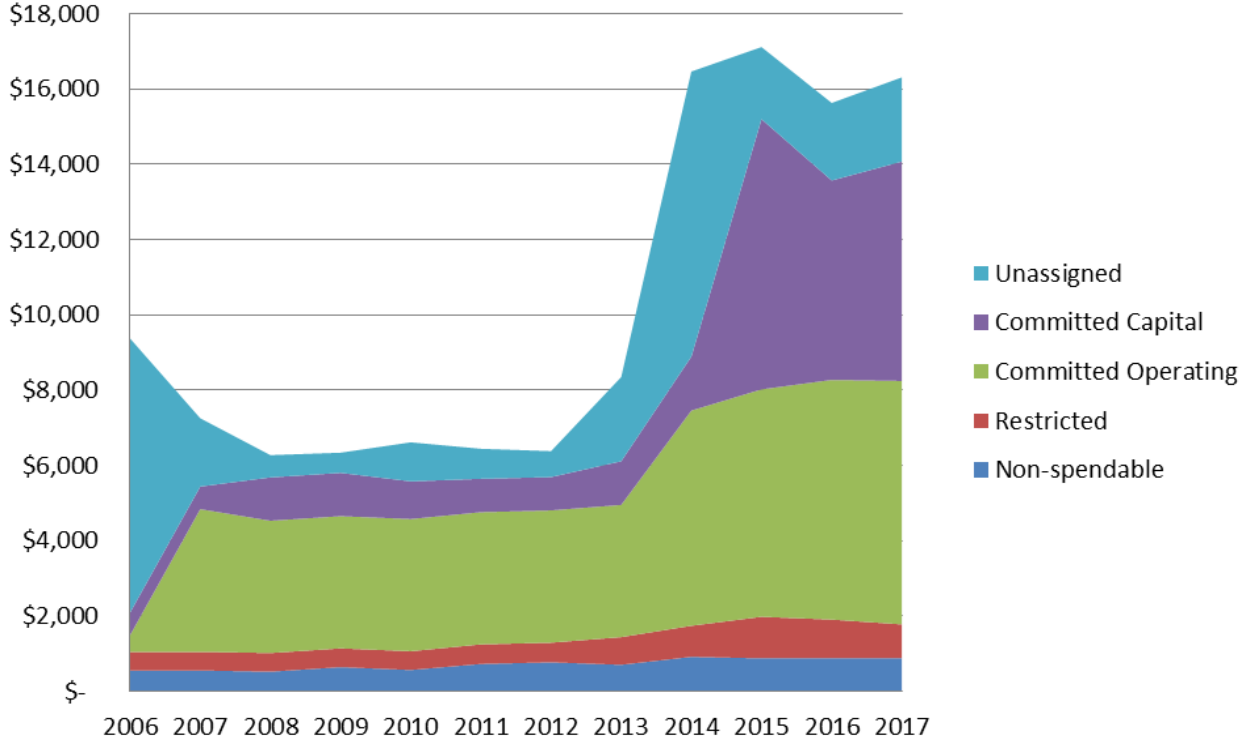
**Fund balance** is the difference between assets and liabilities and is divided between Non-spendable and Spendable. **Non-spendable** fund balance includes amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints. **Spendable** fund balance 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.



## 2017 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 Projects Fund:**

**Very Small Starts BRT Capital Projects Fund** reports all expenditure activity related to the Bus Rapid Transit Project for assets and infrastructure using federal awards from the Very Small Starts grant.

**AMF Capital Projects Fund** reports expenditure activity related to the Aspen Maintenance Facility Re-commissioning Project for assets and infrastructure.

**Series 2013A Capital Projects Fund** reports expenditure activity related to the various transit capital projects, which may include the Rubey Park Transit Center Renovations, Carbondale Park and Ride Expansion, and a portion of Phase III of the AMF Re-commissioning Project.

**Series 2016A Capital Projects Fund** reports expenditure activity related to the various transit capital projects, which may include the GMF renovation and expansion. This fund is anticipated to be created assuming a 2016 bond issuance.

### **Debt Service Fund:**

**The Series 2009A Debt Service Fund** reports all principal and interest expenditures for the \$6.5 million bond issuance and interest earned as required by resolution. This is a tax-exempt issuance.

**The Series 2009B Debt Service Fund** reports all principal and interest expenditures for the \$21 million bond issuance and interest earned as required by resolution. This offering used a U.S. Government Program called Build America Bonds that allow Federal reimbursement of 35% of the interest paid.

**The Series 2012A Debt Service Fund** reports all principal and interest expenditures for the \$6.65 million Qualified Energy Conservation Bonds issuance (QECB) and interest earned as required by resolution. The QECBs allow a Federal reimbursement for 70% of the Qualified Tax Credit Rate of the interest paid.

**The Series 2013A Debt Service Fund** reports all principal and interest expenditures for the \$2 million bond issuance and interest earned as required by resolution. This is a tax-exempt issuance.

**The Series 2013B Debt Service Fund** reports all principal and interest expenditures for the \$1.3 million QECB issuance and interest earned as required by resolution. The QECBs allow a Federal reimbursement for 70% of the Qualified Tax Credit Rate of the interest paid.

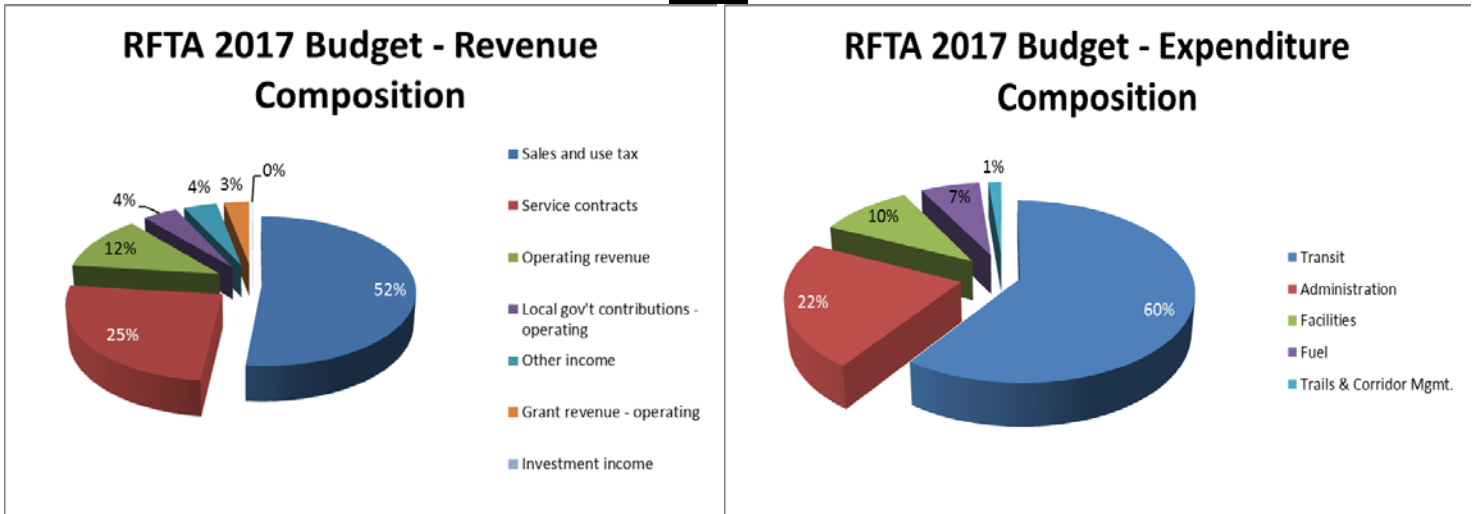
**The Series 2016A Debt Service Fund** reports all principal and interest expenditures for the \$7.105 million bond issuance and interest earned as required by resolution. This fund is anticipated to be created assuming a 2016 bond issuance.

**Reserve Fund** reports all activity related to the required reserves for the Series 2009, Series 2012, and Series 2013 Bonds and interest earned as required by resolution.

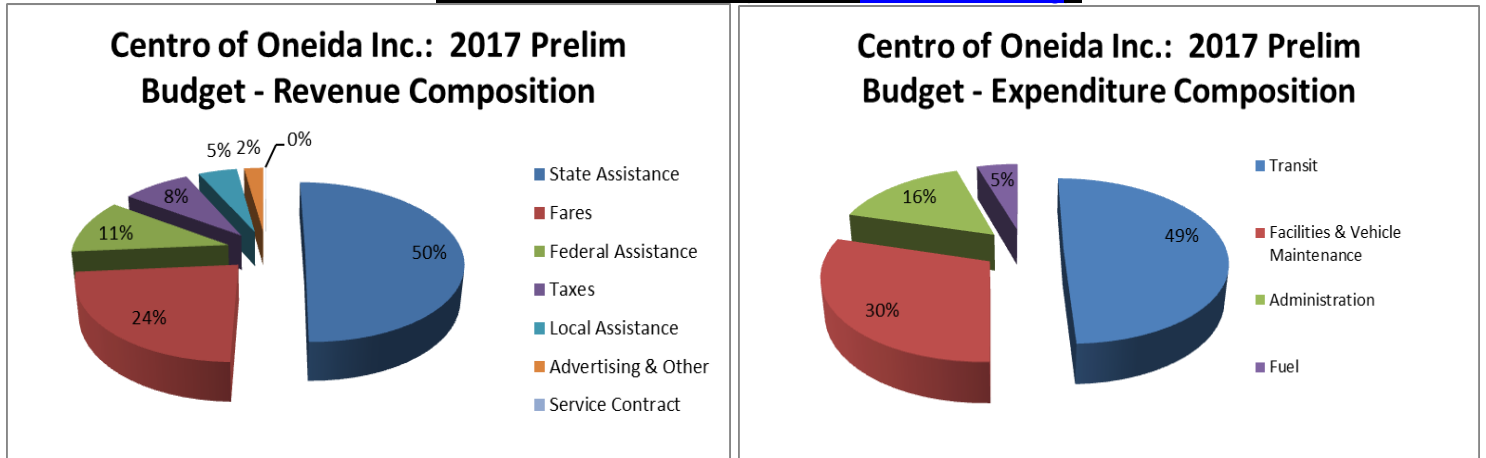
**Supplemental Information for 2017 2<sup>nd</sup> Draft Budget**

At the September Board meeting, the Board had requested revenue and expenditure compositions for other transit agencies for their reference. Differences in cost categories make apples-to-apples comparisons challenging. The charts below illustrate revenue and expenditure compositions for RFTA and two transit agencies used in the peer review analysis conducted as part of RFTA's efficiency review in the ITSP:

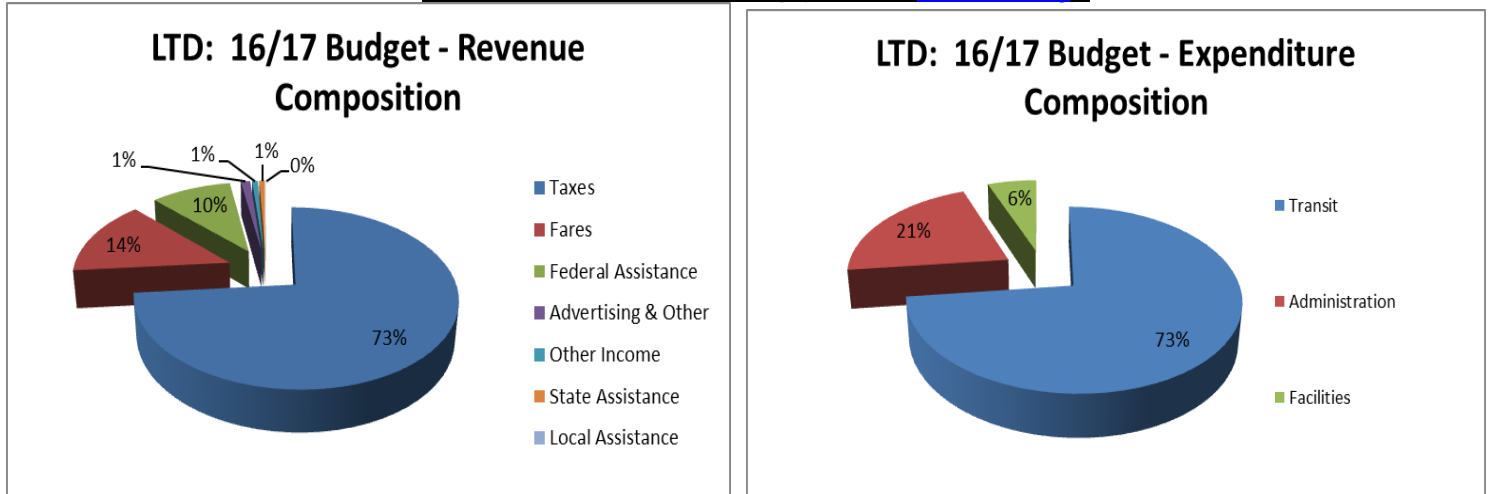
**1. RFTA**



**2. Centro of Oneida Inc. (Source: [www.centro.org](http://www.centro.org)):**



**3. Lane Transit District (LTD) (Source: [www.ltd.org](http://www.ltd.org)):**



**RFTA BOARD OF DIRECTORS MEETING**  
**“PRESENTATION/ACTION” AGENDA ITEM SUMMARY # 8. C.**

<b>Meeting Date:</b>	October 13, 2016
<b>Agenda Item:</b>	ITSP Update
<b>Policy #:</b>	4.2.1: Board Job Products
<b>Strategic Goal:</b>	Undertake Phase I of the Regional Integrated Transportation System Plan (ITSP)
<b>Presented By:</b>	Ralph Trapani, Parsons Transportation Group
<b>Recommendation:</b>	Discuss progress of the ITSP
<b>Core Issues:</b>	<p>Stage I of the ITSP (Define the Vision) wrapped up with two public workshops August 2<sup>nd</sup> and 3<sup>rd</sup> at the BRT stations in Aspen and Glenwood Springs.</p> <p>Another critical component of Stage I is the <b>Organizational Structure and Efficiency Review</b>. The purpose of this review is to understand RFTA’s current organizational capacity--in terms of fleet, finances, facilities, personnel, services and other measures—to provide insights and recommendations on how future transportation alternatives will impact the organization. Overall, 28 recommendations were made in the Review including identifying needed resources and funding, potential service modifications, and organizational and staffing needs.</p> <p>At the meeting, Ralph Trapani will provide the Board with an update regarding some of the findings of the Organizational Structure and Efficiency Review.</p> <p>Stage 2 of the ITSP (<b>Determine Future Needs</b>) has begun; so has the related project funded by the EOTC called the <b>Upper Valley Mobility Study</b>, also initiated last month. Trapani will provide an update on the progress of Stage 2, including status of the Land Use Report, Air Sage data/Ridership Demand Estimation, public engagement, and components of the upcoming Technical Advisory Committee meeting scheduled for October 27.</p>
<b>Background Info:</b>	See above issues
<b>Policy Implications:</b>	Board Job Products Policy 4.2.1. A. & B. states, “The Board is the link between the “ownership” and the operation organization. The Board will assess the needs of the ownership as they relate to RFTA’s activities and scope of influence, and will develop Ends policies identifying the results RFTA is to produce to meet those needs. The Board will inform the ownership of the organizations expected future results, and its present accomplishments and challenges.”
<b>Fiscal Implications:</b>	<p>In 2016, RFTA has budgeted a total of \$560,000 for Stages I and II of the ITSP, and \$494,000 budgeted for the Upper Valley Mobility Study, funded by the EOTC.</p> <p>Phase 1, Stages I and II will likely be completed by end of 2016; Stage III and possibly Stage IV will be budgeted by RFTA in 2017.</p> <p>Phase 2 of the ITSP will be the implementation phase, assuming the Board decides to move forward with any of the preferred multi-modal transportation alternatives identified in Phase 1.</p>
<b>Attachments:</b>	Yes, please see “Final Organizational Structure and Efficiency Review 10.7.16.pdf” included in the October 2016 Board Meeting Portfolio.pdf attached to the e-mail transmitting the Board Agenda packet.

**RFTA BOARD OF DIRECTORS MEETING**  
**“PRESENTATION/ACTION” AGENDA ITEM SUMMARY # 8. D.**

<b>Meeting Date:</b>	October 13, 2016
<b>Agenda Item:</b>	Grand Avenue Bridge Transit Mitigation Plan Update
<b>Policy #:</b>	4.24: Board Job Products
<b>Strategic Goal:</b>	Operations: Continue to update transit mitigations plans for the Grand Avenue Bridge replacement
<b>Presented By:</b>	Dan Blankenship, CEO
<b>Recommendation:</b>	FYI – For discussion purposes, since the revised plan is anticipated to impact the 2017 RFTA budget to a greater extent than original estimated.
<b>Core Issues:</b>	<p>In the original GAB Transit Mitigation plan, additional services and service modifications were proposed 5 days per week for 90 days. For consistency, staff is recommending 7 day per week service with additional services provided prior to the bridge closure to get passengers accustomed to transportation options as well as for a period of time following the completion of the bridge reopening in case of construction delays.</p> <p>Services proposed are: 27<sup>th</sup> St. to Amtrak, West Glenwood Park and Ride to 27<sup>th</sup> St., West Glenwood Park and Ride to North Bridge (6<sup>th</sup> St.), and additional Hogback service from Parachute to North Bridge (6<sup>th</sup> St.).</p>
<b>Background Info:</b>	The Grand Avenue Bridge Project will have temporary impacts to RFTA bus routes and bus schedules.
<b>Policy Implications:</b>	RFTA Board Job Products governing policy 4.2.4 states, “The Board may take positions on transportation matters, including local, state, or federal issues that affect the organization’s regional goals and the organization’s ability to achieve its Ends.
<b>Fiscal Implications:</b>	The Elected Officials Transportation Committee (Aspen, Snowmass Village, and Pitkin County) committed to providing <b>\$335,000</b> to RFTA to fund the transit mitigation plan for the anticipated 3-month Grand Avenue Bridge closure at 5 day/week service. RFTA staff is recommending that service is provided 7 days/week for the full 117 day fall season for a total cost of <b>\$481,000</b> as reflected in the 2017 draft budget and the fares for the Grand Hogback service and in-town regional services be waived during the period of mitigation services to provide an incentive for people to leave their cars at home.
<b>Attachments:</b>	Yes, please see “RFTA GAB 2017 SERVICE PLAN 10 13 16.pdf” included in the October 2016 RFTA Board Meeting Portfolio.pdf attached to the e-mail transmitting the Board Agenda packet.

**RFTA BOARD OF DIRECTORS MEETING**  
**“PRESENTATION/ACTION” AGENDA SUMMARY ITEM # 8. E.**

<b>Meeting Date:</b>	October 13, 2016
<b>Agenda Item</b>	RFTA Solar Array First-Year Performance Report
<b>POLICY #:</b>	<b>4.2.5: Board Job Products</b>
<b>Strategic Goal:</b>	<b>Planning Department:</b> Implement an off-site solar project with a third-party consultant and facilitate periodic reporting on the system’s performance to maximize the asset.
<b>Presented By:</b>	Dan Blankenship, CEO
<b>Recommendation:</b>	FYI regarding the performance of the RFTA solar array for 1 <sup>st</sup> year operation.
<b>Core Issues:</b>	<ol style="list-style-type: none"> <li>1. At the May 14<sup>th</sup>, 2015 Board meeting the RFTA Board unanimously approved the acquisition of 507kW in solar panels from Clean Energy Collective at the Sunnyside Ranch Community Solar Array on County Road 100 in Garfield County.</li> <li>2. The total cost of RFTA’s portion of the array was approximately \$1,648,998, including closing costs. Part of the array was purchased by RFTA using \$195,713 in cash. The balance of \$1,453,285 was financed by Alpine Bank for 20 years with annual debt service of \$120,059. The contracts were signed on May 18<sup>th</sup>, 2015, which marked the first day of solar production for RFTA’s solar array.</li> <li>3. Although it was forecasted the solar array could save RFTA a total of \$3.2 to \$4.3 million on the cost of electricity over 50 years, there are too many variables to know for certain. Given some uncertainty about the renewals of the Power Purchase Agreement (PPA) and the site lease in the future, staff believes that the acquisition of the solar array should be evaluated on how the program is forecasted to perform over the 20 years of the PPA and the 25 years of the site lease.</li> <li>4. At the time of the acquisition, the range of savings over 25 years, depending upon whether the lease converts from taxable to tax exempt after 5 years, is from \$480,000 to \$771,000. Worst case, RFTA would want to at least break even on the solar array acquisition.</li> <li>5. Staff’s rough estimate of how the array performed for the first 7 months of operation was that the total cost of the semi-annual lease payment and actual Holy Cross Energy (HCE) bills was approximately \$12,159 more than if RFTA had just purchased the electricity. This was roughly \$10,842 more than was forecasted. At that time it was recommended that the allocation of the solar credits to certain HCE meters to which they were assigned be redistributed to minimize the potential for stranding solar credits on meters that could not use them all. This was done at that time.</li> <li>6. Staff and CEC recently performed a similar analysis to determine how the array performed relative to the original forecast after 12 months of operation. The annual solar array cost to RFTA is the sum of the annual lease payment plus any HCE bills it pays, less the solar energy credits that can be applied to offset the HCE bills. The net of this calculation can then be compared to what the total</li> </ol>

HCE bills would have been without the solar array and what the actual performance of the array was compared to the original forecast.

7. The chart below illustrates how the array's actual performance for the first year of operation compared to the original forecast at the time the array was acquired.

1	\$ 120,059	Lease Payment
2	\$ 15,271	HCE Bills Paid by RFTA
3	\$ 135,330	Total 1st-Year HCE/Solar Array Energy Expenses
4	\$ (95,650)	Total HCE Bills
5	\$ 39,680	Gross Cost above HCE bills alone
6	\$ (2,257)	Plan forecasted 1st-Year Shortfall
7	\$ <b>37,423</b>	Net cost compared to Plan
8	\$ (8,381)	Stranded credits available to offset future billings
9	\$ <b>29,042</b>	Adjusted net cost compared to plan

8. For the first year, the HCE bill was \$95,650, however, the array produced \$88,760 in credits, which was \$6,890 less than the total HCE bills on all meters for which the solar credits were assigned. The chart above, therefore, indicates that the best the solar array could have performed relative to the original forecast, if all solar credits could have been applied to the total HCE bills, was a \$29,042 net cost.
9. Of the \$88,760 in credits produced by the array, \$8,381 were excess credits on certain meters and, under the agreement with HCE at that time, excess credits could not be applied to other meters for which the HCE bills exceeded the solar credits allocated to them. Under that arrangement with HCE, RFTA was required to discontinue allocating solar credits to the meters that had excess credits until such time that the bills on those meters exceed the accrued credits. So, while the credits would not be lost, it would take longer to use them and the process for managing them was inexact and cumbersome. Due to this issue, the 1<sup>st</sup>-year performance of the array relative to the original forecast was a net cost of \$37,423.
10. Based upon this analysis, RFTA consulted with HCE and HCE agreed to allow RFTA to transition to an invoice group billing system that will net all solar credits produced by the array against all of the HCE meter bills to which the credits are being allocated. This will ensure that any excess credits allocated to any meters can be applied against the bills of other meters that have insufficient solar credits available to defray their HCE bills. Based on this method of billing, there will no longer be an issue with stranded credits. As was mentioned in # 8, above, if this billing system been in place during the first year of operation, the net cost compared with the original forecast would have been \$29,042.
11. Based on the 1-year analysis, here are some of the primary findings:
- a) 18% off proposed production in original proposal from June 2015 to May 2016
    - i. -12% due to El Nino weather anomalies in 2015-2016 winter
    - ii. -5% off due to inaccurate production number given by HCE to CEC



	<ul style="list-style-type: none"> <li>• (HCE used 2000 kWh per kW and CEC states 1905 kWh per kW as reported to date)</li> </ul> <p>iii. -1% due to a 7 day AC/Utility side mechanical issues in the first Qtr. of 2016</p> <p>b) Weather anomalies are not expected to be of issue in 2016 – 2017 winter resulting in current production approximately -5% off due to HCE production error (proposal has been updated to reflect this change)</p> <p>c) The system issues resulting in down time have been addressed, resolved, and additional DAS monitoring equipment has been integrated to the array ensuring a continual 15-minute system check 24/7/365, monitored by CEC resulting in a production increase over the last 6 months of 2016 with no outages reported</p> <p>12. As a result of the revised estimate of annual solar credit production, CEC has updated its forecast of anticipated 20-year savings compared to the original estimate. Assuming the lease/purchase agreement converts to a tax exempt status in year 6, which is the most likely scenario, the revised estimate is that the array could cost approximately \$84,741 more than just purchasing the electricity from HCE. The \$84,741 cost compares to the original 20-year estimated savings of \$347,948:</p> <table border="1" data-bbox="440 905 1533 1136"> <tr> <td>1</td> <td>Est. 20-year HCE Bills</td> <td>\$ 2,324,043</td> </tr> <tr> <td>2</td> <td>20-year Tax Exempt Lease Payments</td> <td>\$ (2,213,460)</td> </tr> <tr> <td>3</td> <td>Forecasted Solar Array Savings</td> <td>\$ 110,583</td> </tr> <tr> <td>4</td> <td>Array cash purchase</td> <td>\$ (195,324)</td> </tr> <tr> <td>5</td> <td><b>Net Array 20-Year Savings/(Cost)</b></td> <td><b>\$ (84,741)</b></td> </tr> <tr> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td>Estimated 20-year excess credits to help offset future HCE costs beyond 20 years</td> <td><b>\$39,160</b></td> </tr> </table> <p>13. It is important to note that the forecast of the potential RFTA net cost assumes that the cost of HCE electricity will not increase at more than 2% annually. If the cost of electricity increases at a higher rate, the savings should be greater. In addition, if the array stays in production for RFTA for more than 20 years, the savings should also be significantly greater, because the lease payments end after year 20, so all solar credits can be applied to future HCE bills, which will be increasing over time.</p> <p>14. Staff will continue to monitor the performance of the array from month-to-month and year-over-year, and report back to the Board on a periodic basis.</p>	1	Est. 20-year HCE Bills	\$ 2,324,043	2	20-year Tax Exempt Lease Payments	\$ (2,213,460)	3	Forecasted Solar Array Savings	\$ 110,583	4	Array cash purchase	\$ (195,324)	5	<b>Net Array 20-Year Savings/(Cost)</b>	<b>\$ (84,741)</b>					Estimated 20-year excess credits to help offset future HCE costs beyond 20 years	<b>\$39,160</b>
1	Est. 20-year HCE Bills	\$ 2,324,043																				
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5	<b>Net Array 20-Year Savings/(Cost)</b>	<b>\$ (84,741)</b>																				
	Estimated 20-year excess credits to help offset future HCE costs beyond 20 years	<b>\$39,160</b>																				
<b>Policy Implications:</b>	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).”																					
<b>Fiscal Implications:</b>	See Core Issues, above.																					
<b>Attachments:</b>	No																					

**“INFORMATION/UPDATES” AGENDA SUMMARY ITEM # 9. A.**

**CEO REPORT**

**TO:** RFTA Board of Directors  
**FROM:** Dan Blankenship, CEO  
**DATE:** October 13, 2016

**CDOT Section 5311 Administration and Operating Grant Funding Realignment Process:** At the last Board meeting, staff alerted the Board to a CDOT grant funding realignment process that could result in a significant reduction in Section 5311 Operating grant assistance upon which RFTA relies. RFTA receives approximately \$1,014 million in this Federal assistance annually and the scenarios presented by CDOT for discussion purposes could have resulted in a 31% - 83% reduction in this funding for RFTA effective in 2018.

Due to concerns raised by RFTA and other resort transit agencies, CDOT has decided to extend the discussion regarding potential changes to the funding realignment process by up to an additional year. In addition, CDOT has indicated a willingness to consider developing a multi-year transition period to help mitigate any potential reductions in funding for transit agencies that be negatively impacted. CDOT has also asked RFTA staff to participate on a CDOT Transit and Rail Division subcommittee to provide input to this process.

As this process unfolds, staff will keep the Board apprised of activity on this subcommittee and about potential impacts to the Section 5311 funding that RFTA currently receives.

**Video Recordings of RFTA Board Meetings:** At Board request, staff has been investigating the feasibility of sharing the video recording equipment owned by the Town of Carbondale. The Town staff has preliminarily indicated that use of the Town’s audio/video equipment will be possible at a cost of less than \$100 per month. However, RFTA must also retain the Town’s contractor that manages the audio/video equipment to help ensure quality control. RFTA Procurement Staff is currently exploring the potential cost of this service with the vendor, but it is anticipated that it will be significantly less than other proposals and alternatives that staff has received so far. If successful in working through the details and obtaining a reasonable cost proposal, it may be possible to begin video recording of RFTA Board meetings as early as January 2017. Under this plan, videos of RFTA Board meetings would be uploaded to RFTA’s website.

<b>Roaring Fork Transportation Authority System-Wide Ridership Comparison Report</b>				
	<b>Aug-15</b>	<b>Aug-16</b>	<b>#</b>	<b>%</b>
<b>Service</b>	<b>YTD</b>	<b>YTD</b>	<b>Variance</b>	<b>Variance</b>
City of Aspen	768,354	1,018,061	249,707	32.50%
RF Valley Commuter	1,874,729	1,814,091	(60,638)	-3.23%
Grand Hogback	58,941	66,739	7,798	13.23%
Aspen Skiing Company	434,437	467,171	32,734	7.53%
Ride Glenwood Springs	137,765	128,128	(9,637)	-7.00%
Glenwood N/S Connector		4,940	4,940	<b>N/A</b>
X-games/Charter	23,165	29,440	6,275	27.09%
Senior Van	2,310	2,845	535	23.16%
MAA Burlingame	31,709	58,589	26,880	84.77%
Maroon Bells	109,900	129,950	20,050	18.24%
<b>Total</b>	<b>3,441,310</b>	<b>3,719,954</b>	<b>278,644</b>	<b>8.10%</b>
<b>Subset of Roaring Fork Valley Commuter Service with BRT in 2016</b>				
<b>Service</b>	<b>YTD August 2015</b>	<b>YTD August 2016</b>	<b>Dif +/-</b>	<b>% Dif +/-</b>
Highway 82 Corridor Local/Express	692,429	622,298	(70,131)	-10%
BRT	597,268	602,638	5,370	1%
<b>Total</b>	<b>1,289,697</b>	<b>1,224,936</b>	<b>(64,761)</b>	<b>-5%</b>

**Planning Department Update – David Johnson, Director of Planning**

The “10-13-16 Planning Department Update.pdf,” can be found in the October 2016 RFTA Board Meeting Portfolio.pdf attached to the e-mail transmitting the RFTA Board meeting Agenda packet.



**Finance Department Update – Mike Yang, Director of Finance**

2016 Budget Year				
General Fund				
	August YTD			Annual Budget
	Actual	Budget	% Var.	
<b>Revenues</b>				
Sales tax (1)	\$ 10,813,032	\$ 10,451,044	3.5%	\$ 20,678,000
Grants (2)	\$ 1,621,400	\$ 1,593,991	1.7%	\$ 3,633,100
Fares (3)	\$ 3,033,530	\$ 2,996,388	1.2%	\$ 4,594,000
Other govt contributions	\$ 1,736,358	\$ 1,736,358	0.0%	\$ 3,359,890
Other income	\$ 381,195	\$ 349,668	9.0%	\$ 449,140
<b>Total Revenues</b>	<b>\$ 17,585,515</b>	<b>\$ 17,127,449</b>	<b>2.7%</b>	<b>\$ 32,714,130</b>
<b>Expenditures</b>				
Fuel	\$ 1,377,884	\$ 1,313,596	4.9%	\$ 1,548,415
Transit	\$ 12,857,911	\$ 12,895,416	-0.3%	\$ 20,701,231
Trails & Corridor Mgmt	\$ 200,419	\$ 205,416	-2.4%	\$ 452,827
Capital	\$ 2,565,515	\$ 2,553,790	0.5%	\$ 11,684,837
Debt service	\$ 1,100,295	\$ 1,100,295	0.0%	\$ 2,318,980
<b>Total Expenditures</b>	<b>\$ 18,102,024</b>	<b>\$ 18,068,512</b>	<b>0.2%</b>	<b>\$ 36,706,290</b>
<b>Other Financing Sources/Uses</b>				
Other financing sources	\$ 124,953	\$ 124,953	0.0%	\$ 5,198,000
Other financing uses	\$ (1,588,927)	\$ (1,588,927)	0.0%	\$ (3,442,874)
<b>Total Other Financing Sources/Uses</b>	<b>\$ (1,463,973)</b>	<b>\$ (1,463,973)</b>	<b>0.0%</b>	<b>\$ 1,755,126</b>
<b>Change in Fund Balance (4)</b>	<b>\$ (1,980,482)</b>	<b>\$ (2,405,037)</b>	<b>17.7%</b>	<b>\$ (2,237,034)</b>

- i. Sales tax revenue is budgeted and received two months in arrears (i.e. June sales tax is received in August).
- ii. Grant revenues will be recorded when available for reimbursement.

- iii. Through August, fare revenue is up approx. 7% over the prior year. This increase is primarily attributable to the timing of bulk pass orders by outlets and businesses and the fare increase in the Maroon Bells Bus Tour. The chart below provides a YTD August 2015/2016 comparison of actual fare revenues and ridership on RFTA fare services:

Fare Revenue:	Aug-15	Aug-16	Increase/ (Decrease)	% Change
Regional Fares	\$ 2,532,329	\$ 2,637,156	\$ 104,827	4%
Other Service/Maroon Bells	\$ 287,031	\$ 384,865	\$ 97,834	34%
Advertising	\$ 14,084	\$ 11,509	\$ (2,575)	-18%
<b>Total Fare Revenue</b>	<b>\$ 2,833,444</b>	<b>\$ 3,033,530</b>	<b>\$ 200,086</b>	<b>7%</b>

Ridership on RFTA Fare Services:	Aug-15	Aug-16	Increase/ (Decrease)	% Change
Highway 82 (Local & Express)	692,429	622,298	(70,131)	-10%
BRT	597,268	602,638	5,370	1%
SM-DV	48,773	48,219	(554)	-1%
Maroon Bells	109,900	129,950	20,050	18%
Grand Hogback	58,941	66,739	7,798	13%
<b>Total Ridership on RFTA Fare Services</b>	<b>1,507,311</b>	<b>1,469,844</b>	<b>(37,467)</b>	<b>-2%</b>

Avg. Fare/Ride	\$ 1.81	\$ 1.97	\$ 0.16	9%
Avg. Fare/Ride MB	\$ 2.61	\$ 2.96	\$ 0.35	13%

- iv. Over the course of the year, there are times when RFTA operates in a deficit; however, we are projecting that we will end the year within budget.

RFTA System-Wide Transit Service Mileage and Hours Report								
Transit Service	Mileage August 2016 YTD				Hours August 2016 YTD			
	Actual	Budget	Variance	% Var.	Actual	Budget	Variance	% Var.
RF Valley Commuter	2,723,492	2,739,656	(16,164)	-0.6%	123,516	122,362	1,154	0.9%
City of Aspen	383,185	363,729	19,456	5.3%	42,508	40,786	1,722	4.2%
Aspen Skiing Company	198,791	209,008	(10,217)	-4.9%	14,047	14,017	30	0.2%
Ride Glenwood Springs	80,422	82,791	(2,369)	-2.9%	6,548	6,534	14	0.2%
Grand Hogback	144,154	149,274	(5,120)	-3.4%	5,727	5,512	215	3.9%
Specials/Charter	4,572	3,968	604	15.2%	435	602	(167)	-27.7%
Senior Van	12,708	12,521	187	1.5%	1,520	1,252	268	21.4%
MAA Burlingame	24,511	22,683	1,828	8.1%	1,673	1,649	24	1.5%
Maroon Bells	48,887	44,139	4,748	10.8%	3,899	3,689	210	5.7%
<b>Total</b>	<b>3,620,722</b>	<b>3,627,769</b>	<b>(7,047)</b>	<b>-0.2%</b>	<b>199,873</b>	<b>196,403</b>	<b>3,470</b>	<b>1.8%</b>

### 2017 RFTA Annual Budget – Schedule

2017 Annual Budget Schedule		
Date	Activity	Status
8/11/2016	Discussion/Direction/Action: Preliminary planning initiatives, assumptions and issues.	<b>Completed</b>
9/8/2016	Presentation/Direction/Action: 1 <sup>st</sup> draft budget presentation	<b>Completed</b>
10/13/2016	Presentation/Direction/Action: 2 <sup>nd</sup> draft budget presentation	<i>On schedule</i>
11/10/2016	Public Hearing: Final budget presentation and adoption	<i>On schedule</i>

Facilities and Bus Stop Maintenance October 13, 2016

**Capital Projects Update**

**AMF Phase 3- Indoor Bus Storage:**

- The asphalt for the entrance to the new facility and the concrete floor for the second phase of the expansion was placed the week of October 3<sup>rd</sup>.
- The steel for the second phase of the expansion project will be erected beginning the week of October 10<sup>th</sup>.
- The remainder of the roof for the expansion will be dried in by the end of October.

**AMF Phase 4- Inspection Canopy, Drive Lanes and Building Cladding:**

- The installation of the new cladding on the facility is almost complete.
- The steel for the inspection canopy will be erected beginning the week of October 10<sup>th</sup>.

**West Glenwood Springs Park and Ride/ GMF Phase 1A Expansion Project:**

- The paving of the trail was completed the week of October 3<sup>rd</sup>.
- The concrete for the bus turn around and bus lanes will be completed the second week of October.
- The landscaping will be started by the end of October.

**GMF Expansion Feasibility Study:**

- Staff has received the 90% draft of the GMF feasibility study and is reviewing and commenting on this draft of the report.

**Basalt Underpass**

- United Companies has decided to delay the start of the Basalt underpass project until October 10<sup>th</sup>.
- Beginning October 10<sup>th</sup> United will begin installing the drainage pipe for the project and widening the highway to accommodate the first lane shift.

**Facilities, Rail Corridor & Trail Update**

**RFTA Employee Housing**

- The Main Street apartment complex in Carbondale, a 5 unit complex with 7 beds, is currently at **100%** occupancy.
- The Parker House apartment complex in Carbondale, a 15 unit complex with 23 beds, is currently at **100%** occupancy.
- RFTA's allotment of long-term housing at Burlingame in Aspen, consisting of four one-bedroom units, is currently at **100%** occupancy.
- RFTA Permanent employee housing is currently at **100%**.
- RFTA has secured 15 two-bedroom seasonal units with Burlingame for this season as of September 1, 2016. The seasonal housing is filling up but RFTA may give five of the units back to Burlingame at the end of October if we do not need them for housing our seasonal drivers.
- RFTA secured an additional two-bedroom summer seasonal housing unit in Snowmass Village from SkiCo. This lease agreement will end October 31<sup>st</sup> and the tenants will be moved over to Burlingame. SkiCo housing has been an excellent option for housing our summer folks and we should continue to

utilize this option going forward. RFTA signed a master lease agreement with SkiCo, similar to the lease RFTA has with Burlingame.

## RFTA Railroad Corridor

**Right-of-Way Land Management Project:** Along with its legal and engineering consultants, RFTA staff is working on completing the following tasks in 2016:

- Staff has secured a new *Federal Railroad attorney*, Bill Mullins of Baker and Miller PLLC, to assist with several projects related to the Railroad Corridor. Staff has selected this new firm and hopes to have new counsel under contract in the next few weeks.
- RFTA has filed a “Notice of Intent to Partially Vacate and Modify the Notice of Interim Trail Use (NITU)” with the Surface Transportation Board (STB). This process will remove the East Leg of the WYE area in Glenwood Springs and designate the West Leg of the WYE as our main connection to the Interstate Rail System. The filing is on the STB website at this link:  
[https://www.stb.gov/filings/all.nsf/ba7f93537688b8e5852573210004b318/aa7b27903e1b5a528525803e00688992/\\$FILE/241632.pdf](https://www.stb.gov/filings/all.nsf/ba7f93537688b8e5852573210004b318/aa7b27903e1b5a528525803e00688992/$FILE/241632.pdf)
- An update to the 2005 Comprehensive Plan. ***The first document to be updated is the Access Control Plan. This item will be on the agenda for a first reading November 10, 2016 with a second reading in December or January, depending on the RFTA Board meeting schedule.***
- Once the draft versions of ACP and DG are finalized and approved by the RFTA Board then staff will send out both documents to GOCO, with an updated list of crossings including existing crossings that have not been previously approved, any potential new crossings being proposed currently as well as any new crossings that might be on the horizon, to secure GOCO’s approval of the ACP, DG and updated list of crossings. ***The current version of the ACP and DG with all associated documentation is available on the RFTA website at <http://www.rfta.com/trail-documentation/>.***
- With the final version of the ACP accepted by the RFTA Board of Directors, staff will work with the attorneys to review and update the existing templates & formats that RFTA is using for licensing in the Rail Corridor.
- The final version of the ACP and DG will also allow staff to finalize a process and fee structure for RFTA that will enable it to have railroad and legal experts review, assess and report on proposed development impacts along the corridor along with recommendations regarding potential mitigation of the impacts that RFTA can provide to permitting jurisdictions.
- Once the process for the ACP is complete and the forms and review process has been finalized, staff will begin updating the rest of the Comprehensive Plan, the Recreational Trails Plan and the Executive summary documents to bring back to the RFTA Board for a review and direction.
- Staff continues working on issues related to the Federal Grant Right-of-Way (fgrow) areas identified up and down the Railroad Corridor. One of the fgrow areas encompasses a neighborhood in Glenwood Springs referred to as the Cole subdivision; this neighborhood is located directly across the street from the Walmart Shopping center at 32<sup>nd</sup> Street. Staff has been and continues to work with the four (4) adjacent neighbors in this subdivision to do an exchange of bargain and sale deeds to clear up any title issues related to their individual parcels. The properties, and in some cases the structures were unintentionally built into the fgrow area back in 1948 due to some survey errors. Staff will continue to provide an update on this process monthly until a final settlement with the adjacent property owners has been reached (Ongoing);

- **Recreational Trails Plan update** - Staff will begin working on the update for the Recreational Trails Plan in January of 2017. Staff will be using the Pitkin County Rio Grande Trail Management Plan as the starting point for the update and will be inviting the public to participate in this process. Staff will be working with the Pitkin County Open Space and Trails team to establish a permanent location for their 20' trail easement. Updates on this process will be provided at the February 9th RFTA Board meeting.
- **River Edge Colorado** (*Sanders Ranch/Bair Chase/River Bend/Cattle Creek development*)- No new update on this project (On Hold);
- **South Bridge** - No update this month (Ongoing);
- **8<sup>th</sup> Street Crossing Project by CDOT and the City of Glenwood Springs** - Staff has executed the Temporary Easement Agreement and the Construction agreements with CDOT. CDOT is in the process of building the temporary detour at 8<sup>th</sup> Street in Glenwood Springs. CDOT is also in the middle of updating the Environmental Assessment (EA) for the Grand Avenue Bridge project. Staff is still working with the City of Glenwood Springs on a permanent grade-separated solution for the 8<sup>th</sup> Street crossing. Staff will provide updates on the EA and the City project as updates are made available (Ongoing).



## Rio Grande Trail Update

- Staff is actively working to beautify the corridor through Carbondale
  - ACRE Narrative Design has created the master plan for the Rio Grande ArtWay! The information is still available on RFTA's website but the comment period is closed. <http://www.rfta.com/trail-documentation/>
  - Please review the Master Plan and contact Brett Meredith with comments
  - Funding is needed for picnic areas, art installations, native landscapes, a Latino Folk Art Garden, and creating a play area for youth
  - Staff presented this project to the Carbondale Rotary Club to seek support (monetary and hands on) for the soft-surface trail
  - Staff is working with the Rotary, Carbondale Arts, and DHM Design to begin to design the site
- Staff secured a Colorado Parks and Wildlife (CPW) grant to fund a soft-surface trail through Carbondale.
  - The pre-bid construction meeting for this project took place on August 4, 2016
  - Staff received the executed grant agreement from CPW on October 6, 2016. Staff will be working hard to get the soft-surface trail built over the next few weeks before winter kicks in
- Staff has been clearing sight lines along the trail by removing tree limbs and brush and also mowing the shoulders.
- Staff has been coordinating a project with RFOV to improve the river access at the Satank Bridge. There was a volunteer day scheduled for August 13<sup>th</sup>.
  - Project was postponed due to a neighborhood concern. Staff met with the neighbors in an attempt to resolve any remaining issues
  - Staff will continue to pursue this project once issues involving the adjacent property owners have been resolved
- Staff has been working with the Procurement Department on a noxious weed control program utilizing goats.
  - Goat Green and their goats hit the ground on September 1st and have been working since. The herd will most likely leave town on or around October 1st

- Trail's staff has requested additional funds through the budget process. The total bid received was \$108,000 for the entire 20+ mile corridor that RFTA maintains. \$40,000 was spent in 2016 and accomplished a lot, but there is a lot more to do in the battle against invasive weeds
  - The public has been very supportive and positive during the entire project. No accidents to date and the goats have been very well behaved, thanks to the electric fencing and Border Collies. The Contractor has been enthusiastic and educational with the public during this project. The public has adapted and kept their dogs on leashes and speed in check when traveling through the work zone
  - Trail's staff has broadcast approximately 1,000 lbs of grass seed as part of the revegetation efforts of the goat project
- Staff has been busy pulling weeds, and not a drop of herbicide has been used to date!
  - Staff is gearing up to install 3 Bicycle Fix-It Stations along the RGT.