

# **REGIONAL TRANSPORTATION AUTHORITY**

Exploration of the creation of an RTA in the Yampa Valley  
May 14, 2019

## **City of Steamboat Springs and Routt County Transportation Development Plan – Executive Summary**

“Transit services in Steamboat Springs will require either an increase in the local funding of the service or a reduction in the service which is provided. Costs are expected to increase, and little or no increases are projected for the support to be provided by the Federal Government through the Colorado Department of Transportation. ... Significant investment will be required (for) vehicles during the next five years. This will require funding well above the recent funding for transit services in Steamboat. In order to achieve this level of funding, new sources of funding must be identified.”

“Provision of a sustainable, permanent funding source has proven to be the single greatest determinant in the success or failure of transit service.”

## **Regional Transportation Authority:**

An RTA is an agreement between two governmental entities that forms a third governmental entity that administers a transportation system with clearly identified boundaries. The system is wholly owned by a single authority, the RTA.

### **Establishment**

To establish an RTA a contract must be written that includes the name and purpose of the Regional Transportation Authority, the establishment and operations of the board of directors, the boundaries of the authority and the term of the contract. There must be at least two public meeting and the contract must be approved by the registered voters within the boundaries of the district.

A copy of the contract must be submitted to the Colorado Department of Transportation for review and comment. In addition, the contract must be submitted to any affected public authority, county or municipality that borders the proposed Regional Transportation Authority.

### **Governance**

The Regional Transportation Authority is governed by a board of directors with at least five elected officials from the members of the governments making up the RTA. The board must contain at least one elected official from each member.

The Regional Transportation Authority may adopt bylaws, make and pass ordinances and resolutions necessary for the governance of the authority, maintain offices and hire employees and amend the contract that created the Regional Transportation Authority.

The RTA has the authority, through the board, to finance, construct, operate or maintain regional transportation systems within or outside their boundaries. The RTA is prohibited from construction a transportation system outside of its boundaries or within the boundaries of a county or municipality without the consent of the affected governing body.

If the system is going to impact another entity the two entities may enter into an intergovernmental agreement. If no agreement is established, the RTA must remove that project from the contract.

The Regional Transportation Authority may establish a Local Improvement District (LID) within the boundaries of operation. The LID is considered a localized geographic area in which the improvements are constructed. To establish a LID, the RTA must receive a petition from the owners of the property that will bear the majority of the cost assessment on the proposed improvements, as well as a petition from the registered electors in the proposed district.

## Funding Mechanisms:

The Regional Transportation Authority has:

- The ability to impose an annual motor vehicle registration fee of not more than \$10. Section 43-4-605 (1) (i), C.R.S.
- The ability to levy a sales or use tax, not to exceed 1%. Section 43-4-605 (1) (j) (I), C.R.S.
- The ability to levy a property tax. Be advised that this provision is currently set to repeal January 1, 2029. Section 43-4-605 (1) (j.5) (I), C.R.S.
- The ability to issue and/or reissue bonds. Section 43-4-609, C.R.S.
- The ability to levy a visitor benefit tax on overnight rooms or accommodations. Section 43-4-605 (1) (i.5), C.R.S.
- The ability to establish one or more enterprises. Section 43-4-606, C.R.S. This would include contracting with municipalities, counties or the state.
- The ability to contract with any other governmental or private source of funding.

## What can an FTA be used for?

Regional Transportation Authorities can be used for a wide variety of transportation items. Currently, they include:

- Roads, trails, commuter trails, facilities, sidewalks, shelters, technology, pedestrian crossings, park and rides and other infrastructure.
- Fixed route bus, commuter bus, regional bus, paratransit, senior van, vanpool, rideshare, transportation coordination, heavy rail, light rail, subway, fixed guideway, and tramway.
- Equipment purchase or lease, planning, development, surveying and studies.

If additional transportation purposes are desired, a request can be made to the Colorado Department of Transportation to potentially expand the parameters of the RTA provisions.

## Existing Regional Transportation Authorities in Colorado

- Gunnison Valley Rural Transportation Authority – Provides service around Gunnison and up to Mt. Crested Butte. It also coordinates with Bustang.  
The RTA includes Gunnison County with the exception of the municipalities of Marble, Ohio, Pitkin and Somerset. They collect a 1% sales tax.  
The governing board is made up of 9 members: Gunnison County (2), Town of Mt. Crested Butte (2), City of Gunnison (2), and Town of Crested Butte (3).
- Pikes Peak Rural Transportation Authority – This RTA is primarily focused on roads and bridges. There are some shuttle bus operations.  
The RTA includes El Paso County with the exception of the municipalities of Calhan, Fountain, Monument and Palmer Lake. They collect 1% sales take and 1% use tax rate.  
The governing board is made up of 9 members and 7 alternates: El Paso County (3), City of Manitou Springs (1, 1 alt), City of Colorado Springs (3, 2 alt), Town of Green Mtn. Falls (1, 1 alt), Town of Ramah (1, 1 alt). They also have a Citizens advisory committee that includes up to 17 members: There are Regular At Large Members (5), Alternate At Large Members (4), Colorado Springs (3), El Paso County (3), Manitou Springs (2), Green Mtn., Galls (2) Town of Ramah (2)
- Roaring Fork Transportation Authority – This RTA focuses on Transit, park and rides and trails.  
The RTA includes unincorporated Pitkin County, areas of unincorporated Eagle County in the El Jebel area and outside the city limits of Carbondale and the cities of Basalt, New Castle, Carbondale, Glenwood Springs, Aspen and Snowmass Village. In Basalt and New Castle they collect .8% sales tax and .8% use tax. In Carbondale and Glenwood Springs, they collect 1% sales tax and 1 % use tax. In Aspen, Snowmass Village and unincorporated Pitkin County, they collect .4% sales tax and .4% use tax. In areas of unincorporated Eagle County in the El Jebel area and outside the city limits of Carbondale, they collect .6% sales tax and .6% use tax. In the fall of 2018, voters in Aspen, Snowmass Village, Basalt, Carbondale, Glenwood Springs, New Castle, Pitkin County and Part of Eagle County approved a 2.65 property tax mill levy for the regional bus system.  
The Roaring Fork Transportation Authority is made up of 8 members: 1 member and 1 alternate each for Pitkin County, Town of Basalt, City of Aspen, Town of Carbondale, Eagle County, Glenwood Springs, New Castle and Snowmass Village.

- San Miguel Authority for Regional Transportation – This RTA focuses on Transit, commuting trails, roads and park and rides,

The RTA is made up of the City of Telluride and eastern San Miguel County except for the towns of Ophir and Sawpit. They collect .25% sales tax and a property tax of .75 mills.

The San Miguel Authority for Regional Transportation is made up of 6 members and 2 alternates: Town of Telluride (2, 1 alt.) San Miguel County (2), Town of Mountain Village (2, 1 alt.) They also have a Community Advisory Committee of 9 members made up of residents, business representatives and service organizations.

- South Platte Valley Regional Transportation Authority – This RTA provides rides within the City of Sterling (Prairie Express) and 6 county area (County Express). The counties included are Logan, Morgan, Phillips, Sedgwick, Washington and Yuma.

The RTA is part of NECALG (Northeastern Colorado Association of Local Governments). They collect .1% sales tax and .1% use tax from the City of Sterling.

The South Platte Valley Regional Transportation Authority, as part of NECALG, has 16 members and 4 alternates: Logan County (1, 1 alt.), Morgan County (1, 1 alt.), Phillips County (1), Morgan County Municipality (1), Phillips County Municipality (1), Sedgwick County (1), Sedgwick County Municipality (1), Washington County (1, 1 alt.), Washington County Municipality (1), Yuma County (1), Workforce (1) Morgan Community College (1), Northeastern Junior College (1), Logan County Economic Development (1), Morgan County Economic Development (1), Sedgwick County Economic Development (1).

- The Baptist Road Rural Transportation Authority – This RTA was created to fix and expand Baptist Road. Following the completion of the project, it was dissolved in December 2016.

The RTA collected 1% sales tax and 1% use tax from a portion of the City of Monument.

## What an RTA can provide for the community.

- National survey calculated that a monthly savings for a transit rider is \$803 per month or \$9,634 annually (APTA 2016).
- Many advertisements for businesses, real-estate or the rental market highlight proximity to the bus route.
- Many workers rely on transit to access work, food and retail.
- Many guests rely on transit to access recreation, food and retail.
- A competitive transportation system is attractive to guests and visitors.
- Housing and transportation are often linked and many employers are housing their workers throughout the valley. Many people are able to afford more expensive housing because their transportation costs are minimal.
- The Regional bus removes approximately 30,000 trips annually from some other mode. Prior to the recession, congestion on US 40, 129, 131 and CR 14 were identified by the Chamber's "Transportation Solutions" working group as major issues.
- Can be utilized to address parking and congestion on the private and public side. For example, part of RFTA's goal was to keep the vehicle count into Aspen at or below 24,000 vehicles per day. Other goals were to minimize the need for private parking lots to accommodate skier visits.
- Can be used for road construction, maintenance and development. With the failure of statewide initiatives, many regions are looking within to make up for the shortfall in funding.
- With latitude and creativity, RTAs can be created to meet specific needs of an area as opposed to formula State and Federal requirements.

## Options for Steamboat Springs Transit if an RTA is adopted.

The governing board of the RTA will create the parameters of the operations covered and services provided by the RTA. Steamboat Springs Transit could potentially be absorbed into the RTA and routes, capital and operations could become part of the RTA function. These are some other options for the continued operation of transit in Steamboat Springs. Models from RFTA are used as examples of these options.

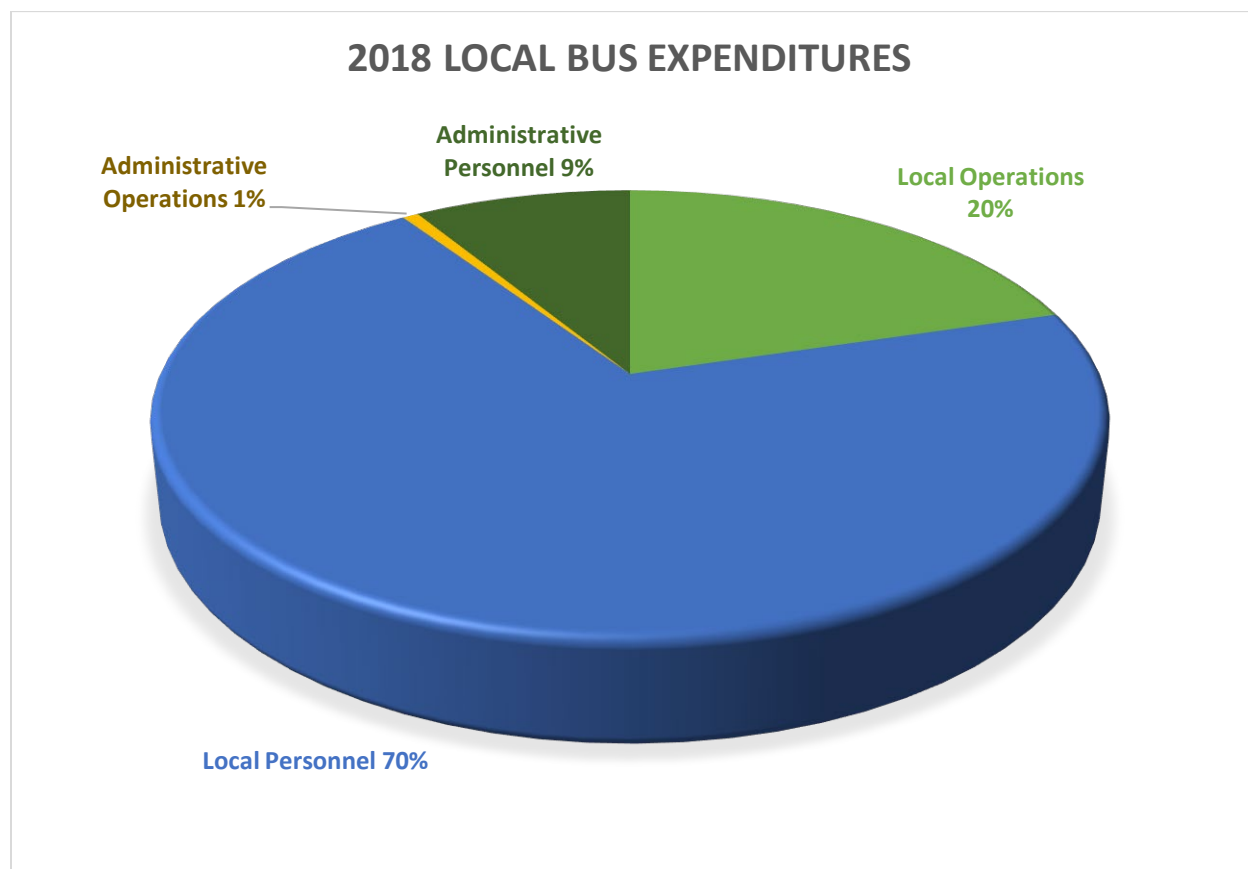
- The City of Steamboat Springs could continue to fund and operate Steamboat Springs Transit. For example, Snowmass Village operates an independent and separate system from RFTA. RFTA operates some service inside the Snowmass Village system and all down valley and Aspen connection services.
- The City of Steamboat Springs could own equipment, facilities and capital and contract for the RTA to operate the service. The example for this type is what is happening in Glenwood Springs. RFTA operates service through and including Glenwood Springs. For the local service that stays within Glenwood Springs, the City of Glenwood Springs owns the capital and contracts with RFTA to perform the operations.
- The City of Steamboat Springs could contract with the RTA to provide all aspects of transit service. The example of this would be the relationship with the City of Aspen and Aspen Ski Area. RFTA is contracted to provide the capital and operating for the entire transit system within the Aspen area.

## Existing Conditions at Steamboat Springs Transit

### Local Service Expenditures

Steamboat Springs Transit is a very labor intensive operation. Almost 80%, or 2.5 million dollars is dedicated to providing service. The most volatile aspect if the budget is the operations portion. A majority of this budget is programed to fuel and parts.

Administrative Personnel	\$282,571.22
Administrative Operating Expenses	\$20,865.95
Local Operations Personnel	\$2,268,359.87
Local Bus Service Operating Supplies	\$657,569.39

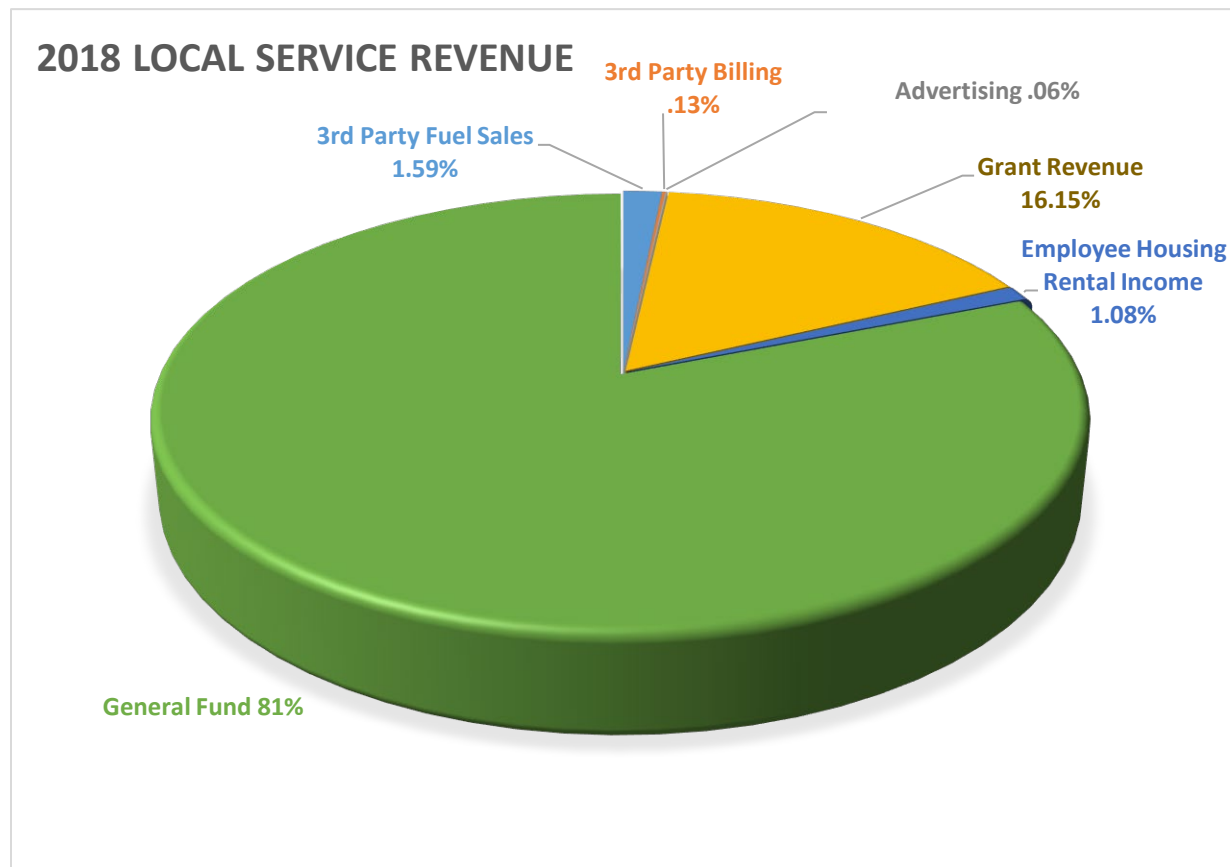




## Local Service Revenues

A majority of the funding for Steamboat Springs Transit comes from the City of Steamboat Springs General fund. Grant revenue assists in funding operations. This stream is projected to continue to diminish as additional transit systems are operating in Colorado and a significant effort was made to develop equity among all properties. Steamboat Springs Transit anticipates that the grant amount will decline by 3% per year, from \$521,180 in 2018 to \$454,095 in 2023 (and beyond). This represents an overall loss, in grant funding, of 13%.

Operating Grant	\$521,180.00
Advertising & Testing	\$5,895.07
3rd Party Fuel Sales	\$51,357.81
Employee Housing Rental Income	\$34,855.24
General Fund	\$2,616,078.32

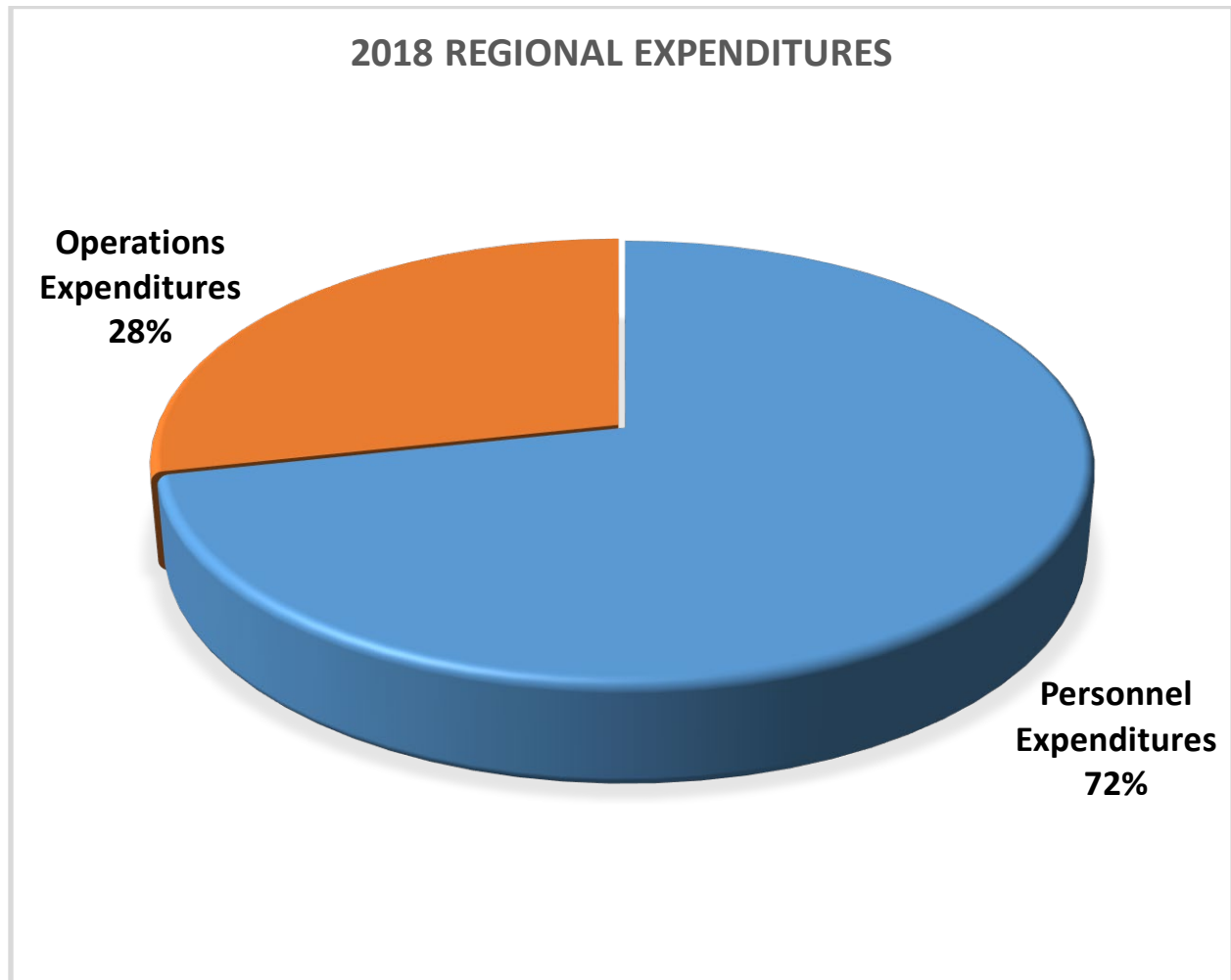


## Existing Conditions at Steamboat Springs Transit

### Regional Service Expenditures

Again, the Regional Bus Service is a very labor intensive operation. The operational costs are a little higher because of the amount of miles traveled in comparison to hours of operation. Administration is not specifically called out in Regional Service, but maintenance and Supervisor oversight is. Volatility is again found in the operations portion of the budget.

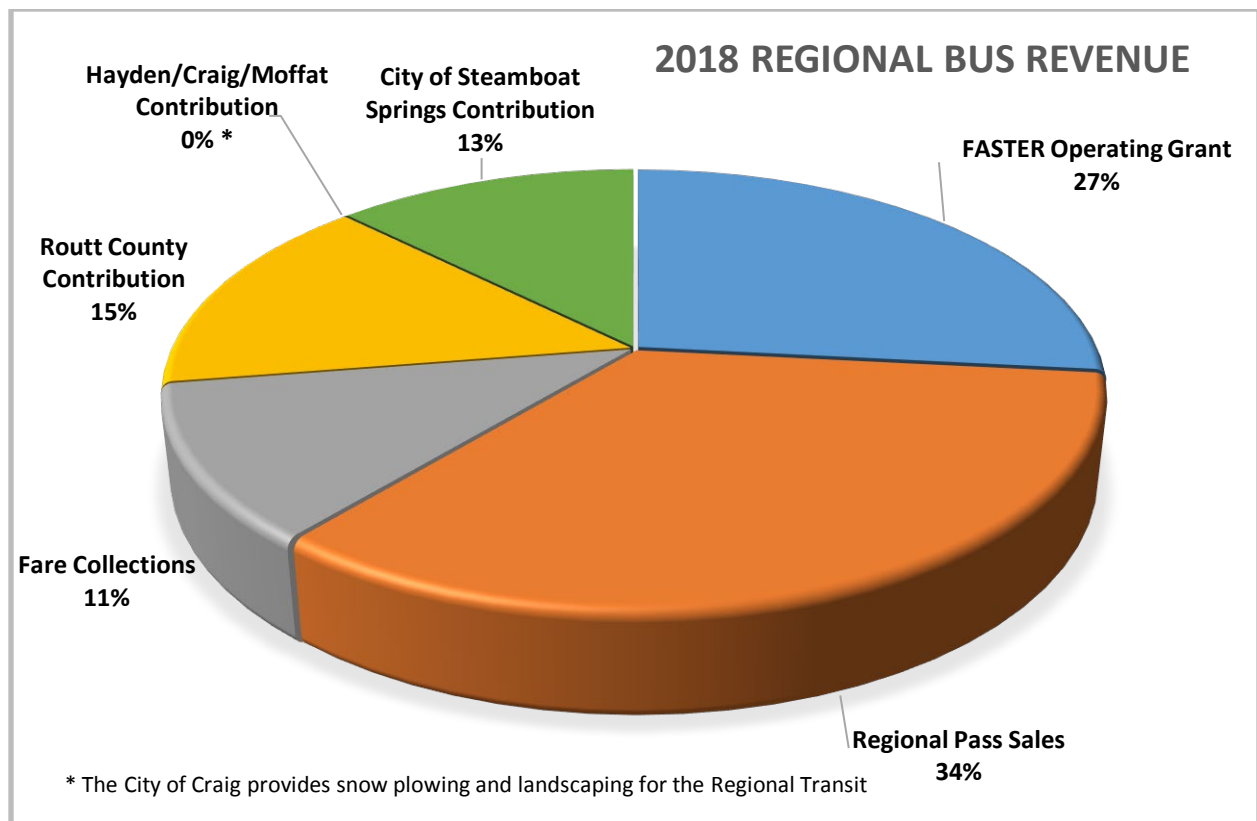
Personnel	\$167,320.29
Operations	\$66,449.91



## Regional Service Revenues

Funding for the Regional Bus Service is spread out to several different sources. Pass sales and fare collections make up 45% of the revenue. A FASTER grant makes up the next largest contributor. Routt County and the City of Steamboat Springs each make a significant portion of the funding. The City of Craig provides an in-kind contribution. In the winter, they plow the parking lot and sidewalks. In the summer, they provide landscaping services. Past contributions also came from Hayden (\$7,000) and Moffat County's Department of Social Services (\$20,000).

FASTER Operating Grant	\$62,291.33
Regional Pass Sales	\$80,355.65
Fare Collection	\$26,722.41
Routt County Contributions	\$35,000.00
City of Steamboat Springs	\$31,937.68
Hayden/Craig/Moffat County*	\$0.00



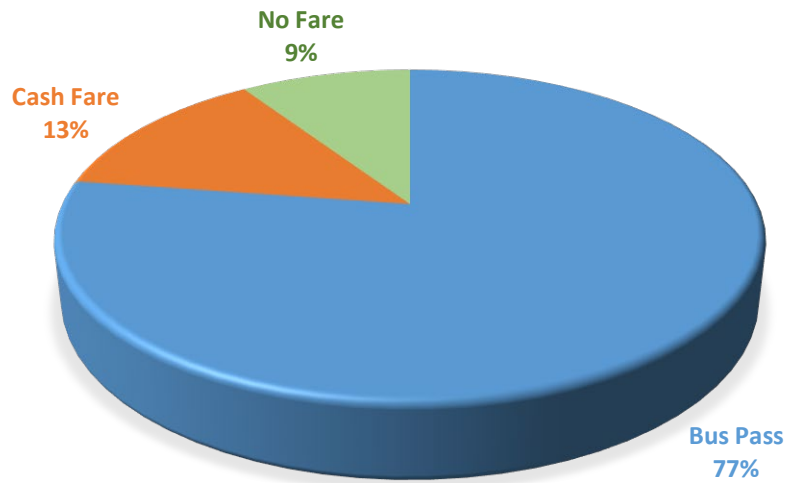
## Existing Conditions at Steamboat Springs Transit

### Regional Service Budget for 2018

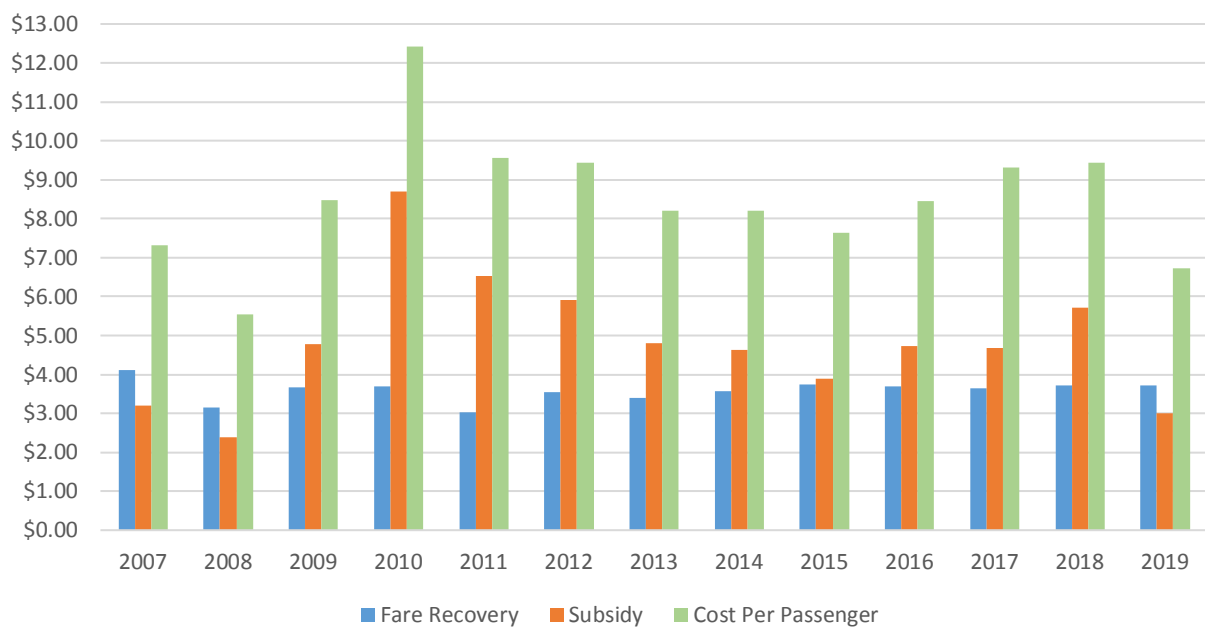
	2018 Budget	2018 Actual	Variance
<b>Regional Bus Service Personnel Expenditures</b>			
SALARIES	\$ 157,072.00	\$ 115,021.15	\$ 42,050.85
SEASONAL PART-TIME	\$ 6,053.00	\$ 592.80	\$ 5,460.20
OVERTIME	\$ 500.00	\$ 172.01	\$ 327.99
PREMIUM TIME	\$ 150.00	\$ -	\$ 150.00
FICA TAXES	\$ 10,236.00	\$ 6,804.14	\$ 3,431.86
MEDICARE TAXES	\$ 2,394.00	\$ 1,591.35	\$ 802.65
EMPLOYEE RETIREMENT	\$ 9,543.00	\$ 6,679.17	\$ 2,863.83
HEALTH INSURANCE	\$ 49,849.00	\$ 30,571.32	\$ 19,277.68
LIFE/LTD/AD&D/PRETAX	\$ 1,461.00	\$ 1,070.70	\$ 390.30
DENTAL INSURANCE	\$ -	\$ 1,695.25	(\$ 1,695.25)
WORKERS COMPENSATION	\$ 4,442.00	\$ 2,774.95	\$ 1,667.05
UNEMPLOYMENT INSURANCE	\$ 495.00	\$ 347.45	\$ 147.55
EMPLOYEE WELLNESS PROGRAM	\$ 1,324.00	\$ -	\$ 1,324.00
	\$ 243,519.00	\$ 167,320.29	\$ 76,198.71
<b>Regional Bus Service Operations Expenditures</b>			
DOT PHYSICAL	\$ 350.00	\$ 95.00	\$ 255.00
WASTE SERVICES	\$ 500.00	\$ 253.46	\$ 246.54
BACKGROUND CHECKS	\$ 200.00	\$ -	\$ 200.00
R&M MACHINERY & EQUIPMENT	\$ -	\$ 111.45	(\$ 111.45)
PRINTING	\$ 1,000.00	\$ 575.28	\$ 424.72
TOWING SERVICES	\$ 750.00	\$ -	\$ 750.00
COMMUNICATIONS	\$ 2,045.00	\$ 2,038.16	\$ 6.84
UTILITIES	\$ 3,090.00	\$ 3,867.83	(\$ 777.83)
OPERATING SUPPLIES	\$ 1,000.00	\$ 829.80	\$ 170.20
UNIFORMS	\$ 1,000.00	\$ 1,241.73	(\$ 241.73)
SMALL TOOLS	\$ 500.00	\$ 378.89	\$ 121.11
FUEL AND OIL	\$ 40,000.00	\$ 44,101.89	(\$ 4,101.89)
MOTOR VEHICLE PARTS	\$ 23,500.00	\$ 9,012.51	\$ 14,487.49
TIRES AND TUBES	\$ 10,000.00	\$ 538.05	\$ 9,461.95
MEALS EXPENSES	\$ 300.00	\$ 17.14	\$ 282.86
FLEET SERVICES CHARGES	\$ 2,309.00	\$ 2,309.00	\$ 0.00
R&M BUILDINGS AND GROUNDS	\$ -	\$ 139.18	(\$ 139.18)
R&M VEHICLES	\$ 7,650.00	\$ 845.05	\$ 6,804.95
	\$ 94,194.00	\$ 66,354.42	\$ 27,839.58
<b>Regional Bus Service Total Expenditures</b>	\$ 337,713.00	\$ 233,674.71	\$ 104,038.29

## Regional Fare Information

### REGIONAL FARE BREAKDOWN OVER 10 YEARS



### Fare Recovery vs. Subsidy



## Financial Analysis for the Regional Commuter Bus

The Federal Transit Administration does a benchmark comparison every 5 years. The last comparison was done in 2015.

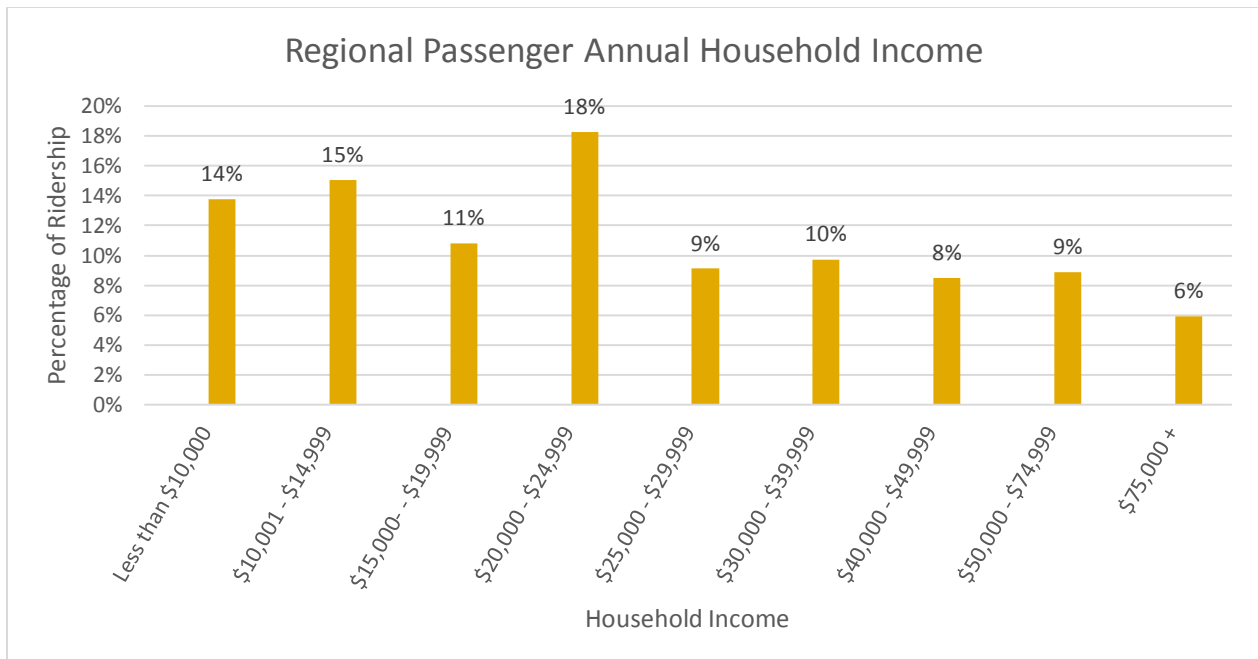
In 2015, Steamboat Springs Transit had a fare box recovery rate of 52%. For reference, in 2018, Steamboat Springs Transit had a fare box recovery rate of 46%.

The Federal Transit Administration suggested a target of at least a 25 – 30% fare box recovery rate.

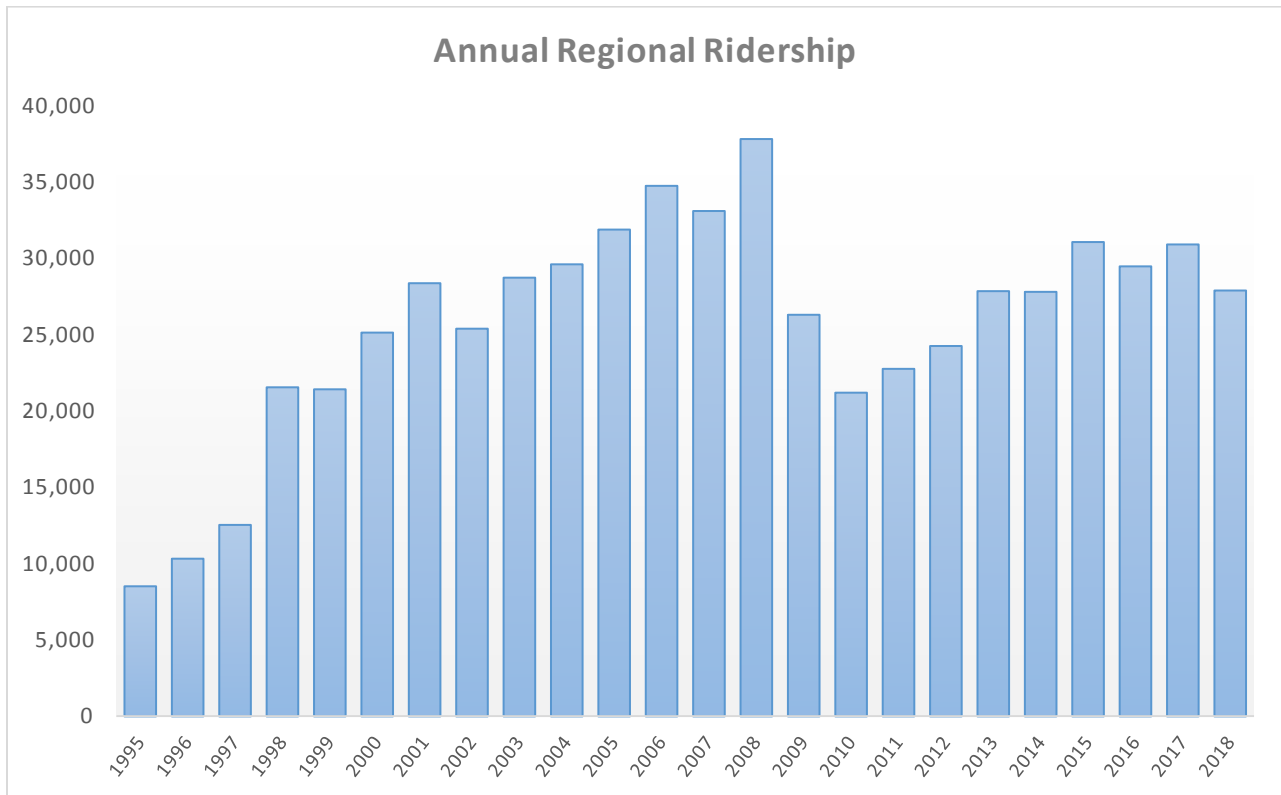
The national average was between 34 -35% fare box recovery rate.

At the time of the most recent benchmark, Steamboat Springs Transit exceeded the FTA target by 22% and the national average by 17%. Although the Steamboat Springs Transit fare box recovery rate has dipped, it still remains very healthy.

Any increase in fares should carefully consider the demographics of the ridership that is currently using the Regional Bus. Over 50% of the ridership comes from households with annual incomes less than \$25,000.



## Ridership Information for the Regional Commuter Bus

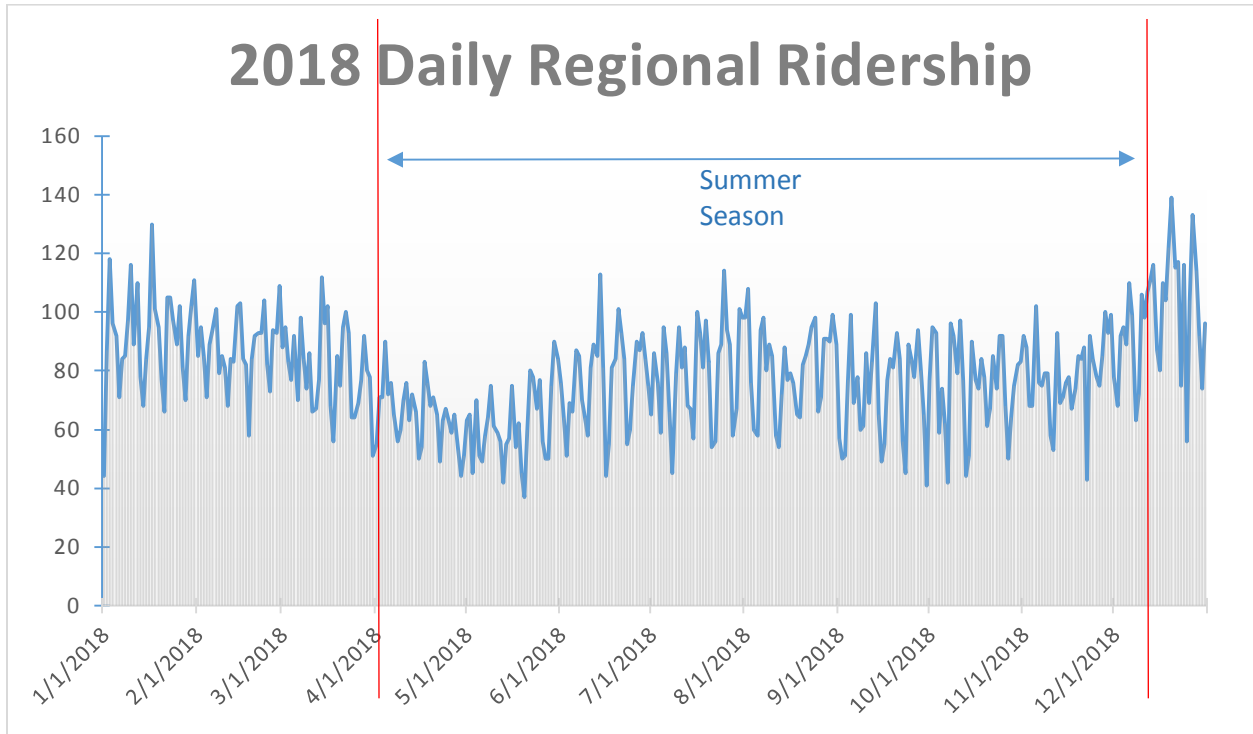


### Historical Context:

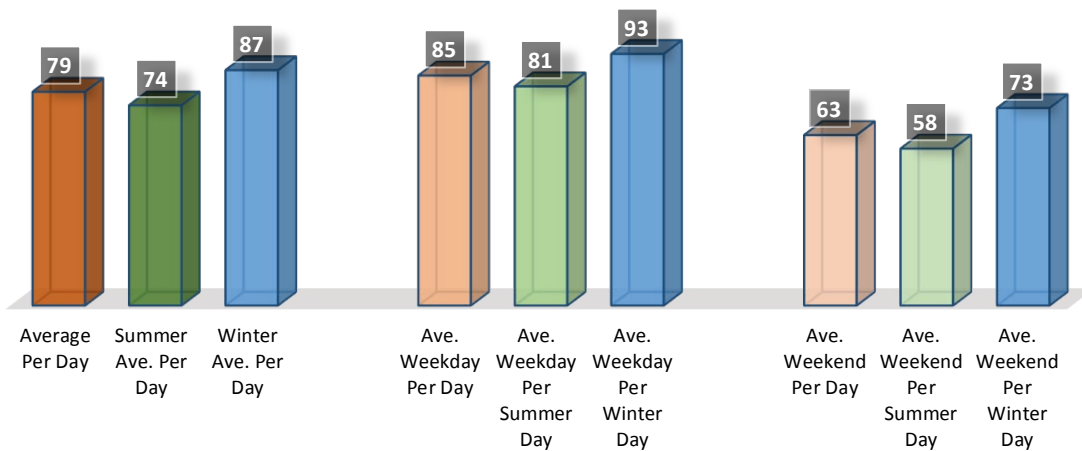
Steamboat Springs Transit's Regional Bus had a significant ridership increase when a second round trip was added in 1998. A third regional was added during the winter from 2001 – 2004, but was eliminated for financial reasons. Ridership peaked in 2008 with very high gas prices and limited housing options for seasonal workers in Steamboat Springs. Ridership dipped significantly in 2009 and 2010. Some reasons for this were falling fuel prices, oil and gas demand for workers in Moffat County and the rise of people in Steamboat Springs taking on a seasonal job to supplement their professional career during the recession.

Ridership has trended upward from the low point of 2010. In 2019, winter season ridership has increased by over 30%. If this trend continues, Steamboat Springs Transit anticipates that ridership could reach 35,000 passengers.

# Ridership Information for the Regional Commuter Bus



### DAILY RIDERSHIP (OVER 4 BUSES)



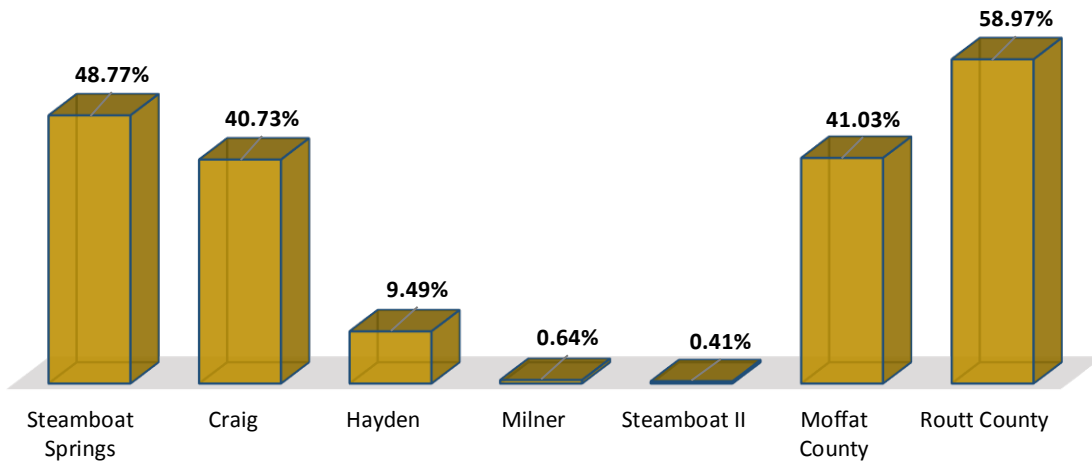
Steamboat Springs Transit's local service sees a significant uptick in ridership during the winter season and summer peak, with a drop off in the spring and fall. While this is also true of the Regional Bus, the off season drop off is not nearly as significant.



## Ridership Information for the Regional Commuter Bus

What these numbers mean: Each column represents a City, Town or County that is the origin or terminus of a trip. For example, a passenger riding from Craig to Steamboat would be counted in the Steamboat column, the Craig column, the Moffat column and Routt column.

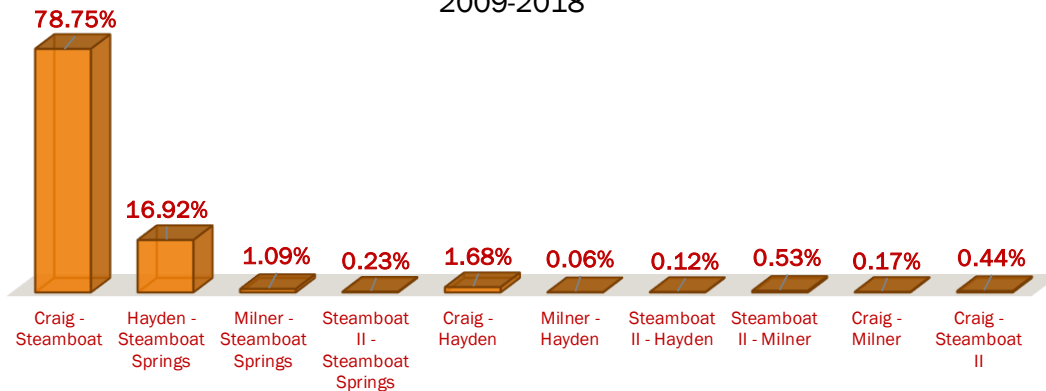
### ORIGIN/TERMINUS OF TRIP



What these numbers mean: Each column represents a specific trip destination. Note that a trip may be in either direction. For example the Craig – Steamboat may be for a passenger traveling from Craig to Steamboat Springs or a passenger traveling from Steamboat Springs to Craig.

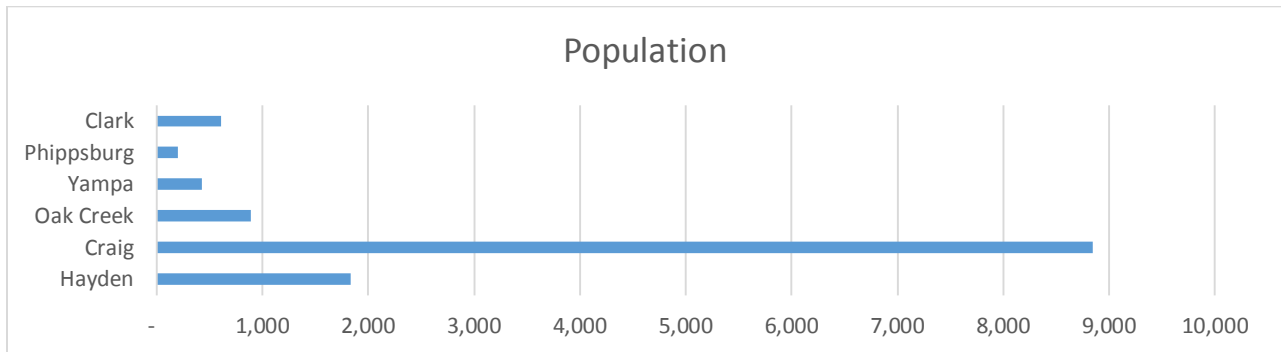
### TRIP DESTINATION

2009-2018

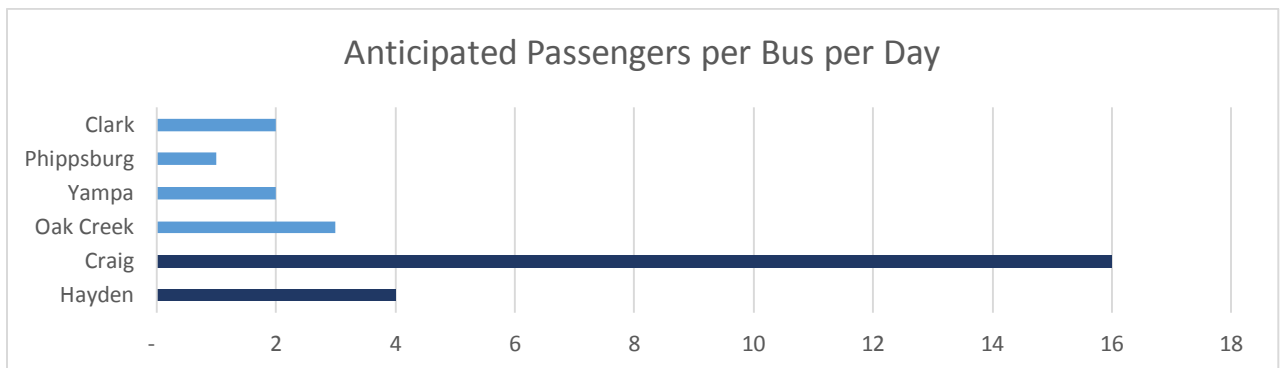


## Potential Ridership Projection

To determine potential ridership on a regional service, the calculation is made based on the population of that locality. The data is generated based on census information. Because Stagecoach does not generate location specific data, it was not used for generating potential ridership. However, Oak Creek can be used as a similar model for population.



Using an industry standard model, the following trip projections can be made.



The projection for passengers riding from Craig is 16 passengers per bus. The actual number of passengers is just below 16. Actual passengers from Hayden are just above the 4 passengers per bus projection.

The two largest outside contributing factors that would alter these projections are the cost of fuel and time involved in the trip. As fuel prices rise, ridership increases. If there is a significant drop in fuel prices (below the standard inflation rate), ridership can be diminished. If the time of the trip is significantly longer than the trip in an automobile, ridership diminishes. For example, careful consideration needs to be taken for the number of stops and out of direction travel when setting up a route. Conversely, RFTA's Bus Rapid Transit (BRT) has been highly successful with limited stops and the ability for buses to travel on the shoulder of the highway resulting in the BRT being an equally fast or faster option for commuter travel. Steamboat Springs Transit's Regional Facility's location makes the system very competitive with the private automobile.

## Proven successful steps in developing a RTA

There have been numerous proposals to create Regional Transit Authorities around the nation and in Colorado. Following is a list of observations and suggestions for successfully creating an RTA.

- The development of an RTA is very **hard work and there is a monetary expense**.
- Get a **neutral facilitator**. Their role is to efficiently run meetings, generate dialog and keep the group on task. Do not have a transit expert in that role because it will look like a driven agenda. This also prevents one agenda from having an advantage. A **professional pollster** should be involved to streamline process and message. For example, RFTA worked with a pollster to determine the correct mill rate and continuously meter public opinion to measure potential success. A **consultant** works with the facilitator to be the professional that gathers and provides information. An **attorney** will provide legal advice to the RTA.
- Have a **strong advocate**. A leader from the business community, elected leader or transit user. An outside voice to champion transit, discuss the needs and options, and relate to the public. It is important that the major political and business leaders are in agreement with the goal or at least not in opposition.
- It is important to develop a **community focus group**. This group can do community research, develop ideas and provide leadership. Make sure elected officials and city/county management are involved.
- Strive for **consensus** so that all can agree on a direction. Do not let perfection be the enemy of the good. This can quickly derail the process. Get a common goal as a first step.
- History can be a challenge. **Leave the past in the past** unless it is positive or a good learning point. It is easier to start with a new product rather than trying to modify the existing operation.
- Avoid going down a “rabbit hole.” Start with a **broad vision**, sharpen the focus and then drill down to details.
- Make sure that conversations end up in verified (**written**) agreements. This was one of the major stumbling blocks and a place where resentment can fester. As steps are taken, make sure they are memorialized. The statement, “I thought we agreed...” can be the most damaging.

- Have a lot of **public outreach** and education. What does the RTA do and what does it not do. Be very willing to listen. A broad coalition is far more effective than a narrow interest.
- Battle misinformation. Have the information available on a website, in talking points and known to group members. **Actively participate** in discussion forums. A vacuous response to misinformation solidifies it into perceived facts.
- **Regionalism** can be an issue. It can be hard to relinquish assets and control.
- Transit providers can be a good source of information, statistics and regulations, but **should not be** involved in the directional aspect of the development of an RTA.
- It is very important to understand that the development of the RTA takes time. The average RTA takes about **4 – 5** years to come to fruition. An IGA may take as long as 5 years on its own. It can happen sooner, but often rushed ballot measures fail, need to be studied, reworked and reintroduced. Voters can become weary of seeing the same initiative and can become suspicious as to why it keeps failing.
- Create a sunset provision. This might be the most important factor to the success of an RTA ballot initiative. It removes the stigma of a one-time decision and gives the public an opportunity to hold the RTA to the objectives of the organization and to make sure that the best practices are being followed. If they are not, there is an opt out provision. Equipment is designed for a 12 year lifespan so a 15 year sunset provision is the best timeframe.