

AGENDA

RTD Accountability Committee

Monday, November 9, 2020

8:30-10:00

VIDEO/WEB CONFERENCE

Denver, CO

1. Call to order
2. Public comment
Up to 20 minutes is allocated for public comment and each speaker will be limited to 3 minutes. The RTD Accountability Committee requests that the public comment be limited to an item on the Committee's current agenda. Please note: public comment may also be submitted in writing to Matthew Helfant (mhelfant@drcog.org). Comments received will be shared promptly with RTD Accountability Committee members.
3. October 19, 2020 RTD Accountability Committee meeting summary
(Attachment A)
4. Subcommittee reports
 - Finance Subcommittee
 - Governance Subcommittee
 - Operations Subcommittee
5. Legislative Concepts
(Attachment B), Co-chair Elise Jones and Finance Subcommittee Chair Rutt Bridges
6. Governance Model Concept
(Attachment C), Governance Subcommittee Chair Julie Duran Mullica
7. Member comment/Other matters
8. Adjournment

ATTACH A

MEETING SUMMARY
RTD ACCOUNTABILITY COMMITTEE
Monday, October 19, 2020

Note: Meeting held virtually via GoToMeeting

MEMBERS PRESENT:

Elise Jones (Co-Chair)	Boulder County Commissioner
Crystal Murillo (Co-Chair)	Aurora City Council Member
Deyanira Zavala	Executive Director of Mile High Connects
Rutt Bridges	Appointed for financial planning expertise
Chris Frampton	Real Estate Developer
Rebecca White	Director of Transportation Development at CDOT
Jackie Millet	Mayor of Lone Tree
Julie Duran Mullica	Northglenn City Council Member
Kathy Nesbitt	V.P. of Administration, University of Colorado
Dan Blankenship	CEO of Roaring Fork Transportation Authority
Krystin Trustman	RTD Access-a-Ride Patron
Lynn Guissing	RTD Board Member- Ex Officio
Troy Whitmore	RTD Board Member- Ex Officio

Others Present: Douglas W. Rex, Executive Director; Callison, Luke Palmisano, Aurora; Jean Sanson, Alex Hyde-Wright, Boulder; Nicholas Williams, Eulois Cleckley, Denver; Debra Baskett, Westminster; Jordan Sanchez, Brandeberry McKenna Public Affairs; Natalie Shishido, CDOT; Miller Hudson, Colorado Politics; George Gerstle, Daily Camera; Holly Buck, Felsburg Holt & Ullevig; Anna Danegger, Tanya Eydelman, North Highland; Shelley Cook, Michael Ford, Heather McKillop, Barbara McManus, Angie Rivera-Malpiede, Bill Sirois, Pauletta Tonilas, Bill Van Meter, Jyotsna Vishwakarma, Brian Welch, Susan Wood, Christina Zazueta, RTD; Robert Epstein, Dolan Knapp, Paolo Solorzano, Public Citizen; and DRCOG staff.

Call to Order

Co-Chair Murillo called the meeting to order at 10:37 a.m.

Public comment

Eulois Cleckley, Denver Department of Transportation and Infrastructure's Executive Director, wanted to express the willingness from the City and County of Denver to work with the RTD Accountability Committee and its subcommittees.

Paolo Solorzano, a citizen, wanted to share with the committee his concerns about RTD transit. Mr. Solorzano stated that he is concerned about the accessibility of RTD service for lower income populations especially as it relates to RTD adhering to their scheduling. For transparency's sake, he would like RTD to be more consistent, and if that is not possible, to make sure there is clearly stated notifications of schedule changes.

September 14, 2020 Accountability Committee meeting summary

The summary was accepted as written by the committee.

Introduction of On-Call Consultants- North Highland

Anna Danegger, Vice President, and Tanya Eydelman, Project Manager, of North Highland provided an introduction of their firm and expectations of their proposal to the committee. North Highland is a global firm that provides management and technology consultation services and have about 1,300 employees in the United States. Ms. Danegger explained that

North Highland has provided similar services in the past for other transit agencies such as New Jersey Transit.

Appointment of Subcommittee Chairs

Co-Chair Murillo recognized and thanked the appointed chairs for each subcommittee:

- Rutt Bridges has been designated as chair for the Finance Subcommittee
- Julie Duran Mullica has been designated as chair for the Governance Subcommittee
- Deyanira Zavala has been designated as chair for the Operations Subcommittee

Subcommittee reports:

- Finance Subcommittee – Rutt Bridges reported the subcommittee reviewed financial reports to try and get a better understanding of RTD’s financial resources and documents. The subcommittee has received additional informational briefs to assist the subcommittee in making informed decisions on their tasks at hand. The subcommittee also reviewed and approved their objective guidelines.
- Governance Subcommittee – Doug Rex reported the subcommittee reviewed and approved their objective guidelines. The subcommittee decided the first area of focus would be reviewing governance models from regional transit agencies around the nation.
- Operations Subcommittee – Matthew Helfant reported the subcommittee received a presentation from RTD staff on how they conduct service planning. They also received a brief presentation from DRCOG staff on transit service planning that included best practices and importing considerations. The subcommittee decided their first area of focus will be on equity and best practices of fare structures.

Strategic Priorities for Subcommittees

Co-Chair Jones presented the [draft strategic priorities](#) for each subcommittee for consideration by committee members. Over the past couple months, subcommittees have initiated conversations around the focus areas identified in the RTD Accountability Committee scope of work. The Committee’s co-chairs lead a discussion to focus on key areas for further exploration and ultimately the development of recommendations.

Members were grateful to the co-chairs for creating these guidelines. A few additional requests from members included adding a specific focus area that addresses the issue on reliability of RTD services, specifying a focus on customer experience, and a way to incorporate customer/consumer engagement.

ADMINISTRATIVE ITEMS

Member comment/Other matters

Doug Rex reminded members that revisions to the Committee guidelines and the Equity Assessment Mission Statement were sent on October 16 for review and asked members to report any additional revisions to DRCOG staff by October 23.

Rebecca White wanted to introduce Natalie Shishido to the committee. She is a “fellow” that was brought on by CDOT solely to assist the RTD Accountability Committee and North Highland.

Adjournment

The meeting adjourned at 11:52 a.m.

ATTACH B

To: Members of the RTD Accountability Committee

From: Douglas W. Rex, Executive Director
(303) 480-6701 or drex@drcog.org

Meeting Date	Agenda Category	Agenda Item #
November 9, 2020	Discussion	5

SUBJECT

Draft Legislative Concepts

PROPOSED ACTION/RECOMMENDATIONS

N/A

ACTION BY OTHERS

N/A

SUMMARY

RTD was created by the Colorado General Assembly in 1969 to provide transit service in the Denver region through the Regional Transportation District Act (§ 32-9-101). As such, RTD is a political subdivision of the state and must follow provisions included in the Act and other state statutes.

Over the past couple months, subcommittees have initiated conversations around potential statutory recommendations for the Colorado General Assembly to consider during the 2021 legislative session. Several members of the RTD Accountability Committee have worked to develop recommendations for consideration by the full RTD Accountability Committee. There are two documents with concepts for the Committee to consider. Both documents have identified similar issues. These documents should be viewed as suggestions to consider for the Committee's dialogue and not as competing proposals.

We are seeking the Committee's review and discussion of these concepts in order to refine and develop a final recommendation for the Committee's consideration at the December meeting.

PREVIOUS DISCUSSIONS/ACTIONS

N/A

PROPOSED MOTION

N/A

ATTACHMENTS

- Potential Legislative Changes
- Potential Amendments to RTD Statutes
- Link - [RTD Statutes: C.R.S. 32-9](#)

ADDITIONAL INFORMATION

If you need additional information, please contact Douglas W. Rex, Executive Director, at drex@drcog.org or (303) 480-6701; or Matthew Helfant, Senior Transportation Planner, at 303-480-6731 or mhelfant@drcog.org.

RTD AC Finance Subcommittee: Potential Legislative Changes

When the Governor and the Legislature established the RTD Accountability Committee (RTD AC), one of our key assignments was “A determination of the long-range financial stability of the agency, and how the agency can achieve stability and growth while still meeting its core mission.” However, the emergence of the Covid-19 pandemic has forced RTD to reduce its services by 40% while encountering a 60% reduction in ridership and a major decline in current and projected sales and use tax revenue. Furthermore, In August 2020, our \$6 billion rail network carried fewer than a third as many riders as in August 2019.

Some of the suggestions we have or may soon propose to RTD may be blocked by the language of Colorado statutes (Title 32, Article 9) first put in place when RTD was founded over fifty years ago. While it is difficult to pin down specific changes at this time, the RTD AC is looking at developing some specific recommendations. Here are some changes to consider:

1. **32-9-119.7. Farebox recovery ratios - plans.**

One of the specific charges to the RTD AC was “A review of the district’s plans for how to expand ridership.” The Covid crisis has resulted in a dramatic reduction in ridership on existing routes and the complete elimination of some other service as well. There is little chance that the recovery of ridership, much less the expansion of ridership, is a reasonable goal without the flexibility to consider some “out of the box” measures to regain lost riders and attract new riders. For example, one of the ideas under consideration is offering a free month transit pass to people in the District who are immunized against Covid-19.

RTD has a critical financial and operational stake in defeating the Covid virus. Until this is accomplished, RTD cannot be sustainable over the long term—another critical RTD AC goal. Offering a free month transit pass is a way to incentivize and align both state and RTD goals.

RTD may also need to offer similar benefits to attract former customers who are no longer using RTD services back to the transit habit. Given that many former customers many continue to work from home, even this may not be enough to recover ridership to its former levels, much less expand transit use. RTD needs the flexibility to control fares and incentive programs to recover from the damage done by Covid. To accomplish this, we request that Article 32, Section 9-119.7 be removed.

However, this statute also requires periodic reporting of RTD budgetary, financial and operational details for review by the Legislature and highway legislation review committee. We propose to take this one step further by recommending that RTD adopt a publicly accessible dashboard that provides even greater transparency into RTD activities. We are currently investigating using the same dashboard vendor currently used by CDOT. These changes should more than satisfy the requirements of Article 32, Section 9-119.7 and also offer visibility into monthly farebox ratios by type of service (light rail, commuter rail, bus, etc) plus “the district’s plans for how to expand ridership.”

2. **32-9-119.8. Provision of retail and commercial goods and services at district transfer facilities - residential and other uses at district transfer facilities permitted - definitions.**

Specifically, **32-9-119.8(4)** contains overly broad language that invites litigation from surrounding businesses “reasonably near a transfer facility.” Also, the elimination of customers who are not specifically transit users puts the transit-related vendors at a distinct competitive disadvantage. If RTD is to be able to successfully derive revenue from the use of these properties, this paragraph needs to be removed from statute.

Furthermore, **32-9-119.8(5)** may prevent RTD’s permitting development of transit-focused residences due to restrictions on allowable parking ratios. For example, according to a study by [Seth Goodman and others](#), The median two-bedroom US city code requirement of 1.5 parking spaces consumes more than half the area of a typical two-bedroom apartment and adds \$375 per month in rent. This unnecessary parking space

requirement puts the development of transit-focused residences at a significant financial disadvantage. Similarly, it may make little sense when developing transit-friendly residences for people with significant disabilities to require much beyond visitor parking. Again, we request removal of this paragraph or its modification to specifically provide exemption from local zoning ordinances.

3. **32-9-119.9. Limited authority to charge fees for parking - reserved parking spaces - penalties - definitions.**

This Section limits the flexibility of RTD to manage the parking facilities that RTD has built and is seen as unnecessarily restrictive at a time when RTD faces a financial crisis. It is recommended that this 32-9-119.9 be removed from the statutes. If that is unacceptable, we recommend replacement of the Section's text with provisions for RTD to author the parking management rules and submit the rules or any changes to the rules to the director of CDOT for approval.

In closing, we need to consult with RTD Staff and Board Members before moving forward with any of these requests to the Legislature and Governor's Office.

Potential Amendments to RTD Statutes

RTD is a creature of Colorado state statute (Title 32, Article 9). The statutes related to RTD give it specific authorities, responsibilities, and restrictions.

We have identified several statutory restrictions that, if modified or deleted, have the potential to provide RTD with greater flexibility and opportunity to improve its finances and/or ridership. We acknowledge up front, however, that such changes aren't silver bullets and their impact while positive is likely to be modest.

1. 32-9-119.9 Limited authority to charge fees for parking – reserved parking spaces – penalties – definitions

RTD has spent millions of dollars providing structured park-n-ride parking garages and surface parking lots throughout its system but is restricted from requiring in-district residents to pay to park, unless they park for more than 24 hours. Removing this restriction would provide RTD with the ability to generate some revenues from parking – although it would be important to not depress ridership by charging too much – and also to use parking revenues to decrease fares, which could have equity benefits. Having more flexibility with regards to parking would also allow RTD to use parking spots and subsidies to incentivize desired outcomes, e.g., giving electric vehicle drivers, carpoolers, vulnerable populations cheaper parking or parking spots closer to the platform.

Proposed edit:

(1)(a) The district may charge a parking fee at a district parking facility for:
~~(I) A motor vehicle registered at an address outside the district;~~
~~(II) A motor vehicle left in the district parking facility for more than twenty-four hours; or~~
~~(III) Reserved parking.~~

~~(d) Except as otherwise provided by this section, the district shall not charge a person any type of fee, regardless of what it may be called, to park at a district parking facility.~~

2. CRS 32-9-119.7 Farebox recovery ratios – plans

This provision requires that 30% of RTD's operating costs be funded by revenues collected (all nonsales tax revenue generated through the operation and maintenance of the mass transit system, except ADA services). While this provision doesn't appear to provide a current limitation on RTD, it would be in the future if RTD wanted the opportunity to significantly decrease fares or provide fare-free transit as a way to boost ridership and mobility equity. Deleting this provision would provide RTD with the flexibility to explore these options in the future.

Proposed edit:

(3) The district shall take whatever measures it deems necessary to ensure that the following percentages of its operating costs are funded by revenues collected, as follows:...

~~(d) For the fiscal year 1993 and each fiscal year thereafter, thirty percent.~~

3. CRS 32-9-119.8 Provision of retail and commercial goods and services at district transfer facilities – residential and other uses at district transfer facilities permitted – definitions

RTD may negotiate and enter into agreements with other entities to provide retail and commercial goods and services to the public or provide housing at its transit stations and park-n-rides, but cannot provide retail and commercial goods and services itself, except for transit-related transactions. There are restrictions on such uses, however: the use may not reduce transit services, reduce the availability of adequate parking for the public, or,

for uses involving the provision of retail or commercial goods or services, result in a competitive disadvantage to a private business near the facility providing similar goods or services. In addition, retail and commercial goods and services or residential uses at RTD facilities must be designed to offer convenience to transit customers and be conducted in a manner that encourages multimodal access from all users.

RTD-owned land and facilities are valuable transit-oriented development assets, and can play a beneficial role in generating additional revenues and increasing use of the transit system. Eliminating restrictions related to parking and business competition could further enhance TOD on RTD properties.

Proposed edit:

(4) The use of a transfer facility for the provision of retail or commercial goods or services or for the provision of residential uses or other uses shall not be permitted if the use would reduce transit services, ~~would reduce the availability of adequate parking for the public, or, for uses involving the provision of retail or commercial goods or services, would result in a competitive disadvantage to a private business reasonably near a transfer facility engaging in the sale of similar goods or services.~~ The provision of retail and commercial goods and services or the provision of residential uses or other uses at transfer facilities shall be designed to offer convenience to transit customers and shall be conducted in a manner that encourages multimodal access from all users.

4. CRS 32-9-119.5 Competition to provide vehicular service within the regional transportation district

RTD is allowed to implement a system under which up to 58% of the district's vehicular service is provided by qualified private businesses. Statute sets out the processes and parameters for these privately provided services.

It's not clear that this provision is serving as a limitation on RTD. Ideally, however, RTD would use qualified private businesses to provide transit service when that is the most cost effective option, assuming quality of service and safety are assured. It would be useful to understand whether there are other co-benefits being achieved through this provision, as well as if it is necessary to keep it in statute.

Potential edit:

(1) The general assembly hereby finds, determines, and declares that: Public transportation services are provided to assist the transit-dependent and the poor, to relieve congestion, and to minimize automotive pollution; public transportation service should be provided at the lowest possible cost consistent with desired service and safety; private transportation providers have been effectively used under competitive contracts to provide public transportation services at lower costs and with lower annual cost increases; obtaining cost-competitive public transportation services requires the establishment of a mechanism for competitive contracting; facilities and vehicles purchased for public transportation service are public assets which are held in the public trust; contracting for services has historically provided opportunities for minority, women, and disadvantaged business enterprises; and it is the intent of the general assembly that disadvantaged business enterprises, as defined in part 23 of title 49 of the code of federal regulations, as amended, shall have the maximum opportunity to participate in the performance of contracts.

(2) (a) The district may implement a system under which ~~SOME up to fifty-eight percent~~ of the district's vehicular service is provided by qualified private businesses pursuant to competitively negotiated contracts.

(XI) No provision specifying wages, benefits, work rules, work conditions, or union organization of the employees of the provider beyond compliance with applicable regulation and law, including compliance with the "Federal Transit Act", 49 U.S.C. sec. 5333(b).

(3) (a) (1) Subject to the requirements of the "Federal Transit Act", as amended, the district may request proposals from private providers to provide SOME up to fifty eight percent of all of the vehicular service of the district as measured by vehicle hours or vehicle hour equivalents. The district's decision as to which vehicular services are subject to requests for proposals must represent the district's total vehicular service operations; except that each individual request for proposals may designate one type of vehicular service. Service provided by private businesses pursuant to this section shall be accomplished through attrition of the district's full-time employees. Layoffs shall not occur solely as a result of the implementation of this section. If the director of the division of labor standards and statistics in the department of labor and employment orders an arbitration pursuant to section 8-3-113 (3), C.R.S., the arbitrator shall not have the power to establish a level of vehicular service to be provided by private businesses in accordance with this section.

ATTACH C

To: Members of the RTD Accountability Committee

From: Douglas W. Rex, Executive Director
(303) 480-6701 or drex@drcoog.org

Meeting Date	Agenda Category	Agenda Item #
November 9, 2020	Discussion	6

SUBJECT

Discussion of draft governance structure concept

PROPOSED ACTION/RECOMMENDATIONS

N/A

ACTION BY OTHERS

N/A

SUMMARY

Since its inception, the Governance Subcommittee has engaged in a peer review of transit governance models from around the country. A theme that has emerged from the subcommittee's discussions is a desire to enhance local community involvement in the RTD decision-making process.

The attached draft governance structure concept was developed with the intent of providing the full RTD Accountability Committee an opportunity to review assumptions and provide direction to the Governance Subcommittee as they begin to explore more definitive recommendations. The model suggests two optional paths for local involvement: (1) the formation of a Local Advisory Committee, or (2) the formation of subregional transit councils.

PREVIOUS DISCUSSIONS/ACTIONS

N/A

PROPOSED MOTION

N/A

ATTACHMENT

Draft Governance Structure Concept

ADDITIONAL INFORMATION

If you need additional information, please contact Douglas W. Rex, Executive Director, at drex@drcoog.org or (303) 480-6701; or Matthew Helfant, Senior Transportation Planner, at 303-480-6731 or mhelfant@drcoog.org.

Draft RTD Governance Structure Concept

For Discussion Purposes Only

RTD Board of Directors

- Sets RTD policy, adopts RTD budget, sets overall district service goals and objectives.
- Allocates resources to “regional” transit services: light rail, commuter rail, regional bus, ADA services, other district-wide services.
- Reviews/approves subregional transit council or local advisory council’s “local” transit service plans and resource allocations.

Discussion Topics:

- Define “regional” transit services
- Determine amount of resources needed for regional transit services
- Determine process for RTD Board adjustments to local service plan recommendations (e.g. would it require a super-majority vote of the Board?)

Local Involvement Options:

Option #1: Local Advisory Council

- Similar to [Utah Transit Authority’s model](#)
 - The standing Local Advisory Council provides a voice for local governments.
 - Reviews and approves service plans, capital development plans and projects, and TODs before final RTD Board approval.
 - Represents and advocates the concerns of citizens to the RTD Board.

Discussion Topics:

- How many members on the advisory council?
- How do you distribute the seats to communities within the RTD service area?
- Should there be other at-large members on the council?

Option #2: Subregional Transit Councils

- Similar to LA Metro’s [Local Service Council model](#)
 - Membership: each local jurisdiction within RTD service area.
 - Develops local transit service plans within RTD service goals and objectives.
 - Allocates resources to local transit service.
 - Can supplement services with local resources, if desired.

Discussion Topics:

- Geography of Transit Councils: County? RTD Board districts? Other?
- Define local transit services
- Determine amount of resources for local transit services
- Allocation of resources among Subregional Transit Councils.
 - Share of district taxable sales (3-year running average)?
 - Share of district population?
 - Share of district employment?
 - Share of district vulnerable population?
 - A combination of any of the above?
 - Other?