

AGENDA

**RTD Accountability Committee
Finance Subcommittee
Wednesday, October 7, 2020
11:00 a.m. - 12:00 p.m.
VIDEO/WEB CONFERENCE
Denver, CO**

1. Call to Order
2. Introductions
3. September 25, 2020 Meeting Summary
(Attachment A)

DISCUSSION ITEMS

4. Colorado's COVID Crisis: RTD's Risks and Opportunities
Rutt Bridges, RTD Accountability Committee Member
5. Peer Agency Comparisons
(Attachment B)
6. State Statutes Summary
(Attachment C)

ADMINISTRATIVE ITEMS

7. Member Comment/Other Matters
8. Next Meeting: October 21, 2020
9. Adjournment

ATTACH A

MEETING SUMMARY
RTD ACCOUNTABILITY COMMITTEE-Finance Subcommittee
Tuesday, September 25, 2020
Note: Meeting held virtually via GoToMeeting

MEMBERS PRESENT:

Rutt Bridges
Dan Blankenship
Krystin Trustman
Rebecca White
Elise Jones

Others Present: Douglas W. Rex, DRCOG Executive Director; Heather McKillop, RTD, Nicole Carey, RTD, Kathleen Bracke, Boulder County, Bill Van Meter, RTD, Ron Papsdorf, DRCOG, Matthew Helfant, DRCOG.

Call to Order

Ron Papsdorf, Transportation Planning & Operations Director called the meeting to order at 2p.m.

ACTION ITEMS

Refine Subcommittee Objectives (if additional refinement is necessary)

No refinements were suggested.

Review and Discussion of RTD Financial Resources and Documents

Ron Papsdorf shared information from the RTD Comprehensive Annual Financial Report, Fiscal year ended December 31, 2019 and 2018, including an overview of revenue and expenditures by major category and trends.

Elise Jones and Rutt Bridges expressed interest in a review of state statutes related to limitations on properties as well as fringe benefits.

Rutt Bridges inquired about RTD follow vehicles and their use after the end of 2020. RTD staff described their use during the pandemic response and how proposed service changes for 2021 should reduce their need.

Rutt Bridges expressed interest in securing ridership information and its relationship to revenues.

Doug Rex indicated that overall RTD ridership is at about 40% of pre-COVID levels.

Rebecca White expressed interest in information related to RTD staffing levels, labor costs, and related issues. RTD staff indicated there are approximately 3,200 FTE, which does not include public-private partnership (P3) employees.

Elise Jones indicated an interest in exploring information related to separate base system and Fastracks finances. RTD's Comprehensive Annual Financial Report includes this breakdown as well as cash flows for each.

There was a question that since the cost to borrow money is fairly nominal right now, what are RTD's rates of borrowing? RTD staff responded that they did issue some early Fastracks debt at about 7%. RTD has since refinanced much of its debt to take advantage of lower rates over the last 4 years, resulting in significant savings. All base-system debt will be retired in 2024. Finally, RTD's debt service coverage policy is not currently being met.

Elise Jones asked that the subcommittee investigate RTD's assets.

Rutt Bridges requested that the subcommittee investigate the total cost of build out of Fastracks; both the costs incurred for the system built so far and the costs of the remaining system.

Elise Jones asked how to deal with RTD's current debt situation and the capital and operating costs of the system, particularly the geographic distribution of costs and expenditures.

Elise Jones suggested the subcommittee explore RTD's staffing structure and related issues.

Rutt Bridges proposed he provide a presentation to the next meeting related to COVID-19 impacts on RTD.

Elise Jones suggested exploring the local government role in enhancing or expanding local transit services as well as RTD's contracted services.

There was a discussion about comparative analyses of RTD staffing, salaries, compensation, etc to peer agencies and sources of information.

The next meeting will take place on October 7, 2020.

The meeting adjourned at 3:00pm

ATTACH B

To: Members of the RTD Accountability Committee Finance Subcommittee

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

Meeting Date	Agenda Category	Agenda Item #
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SUBJECT

RTD Peer Agency Comparisons Discussion

PROPOSED ACTION/RECOMMENDATIONS

N/A

ACTION BY OTHERS

N/A

SUMMARY

Peer reviews and organizational assessments can provide useful insights into RTD's finances and the work of the Accountability Committee. However, it can be difficult to appropriately identify peer agencies for comparison to RTD, since every agency is unique in terms of its geography, population, services, etc. There are also several sources of information for comparison data.

DRCOG staff have begun an initial assessment of different measures for identifying peer transit agencies and comparisons to RTD. Two key sources of transit system information are the National Transit Database (NTD) and the American Public Transportation Association (APTA).

Attached is a sampling of Agency Profile reports for agencies comparable to RTD's geographic size and population size. These provide a wealth of high-level information regarding service area sizes, population, costs, farebox revenue, ridership, passenger miles, vehicle revenue miles and hours, and performance measures by mode that can be used to compare service efficiency and effectiveness with the statistics of other similar transit systems. However, not all peers operate the same modes or, if they do, operate them in the same quantities, charge the same fares, or have the same size of service areas.

PREVIOUS DISCUSSIONS/ACTIONS

N/A

PROPOSED MOTION

N/A

ATTACHMENTS

1. [American Public Transportation Association \(APTA\) 2020 Fact Book](#)
2. [National Transit Database Transit Agency Profiles](#)
3. Initial Peer Agency Comparisons-Working Draft

ADDITIONAL INFORMATION

If you need additional information, please contact Douglas W. Rex, Executive Director, at drex@drcoog.org or (303) 480-6701; or Ron Papsdorf, Director, Transportation Planning and Operations, at 303-480-6747 or rpapsdorf@drcoog.org.

RTD Comparisons to Peers – Working DRAFT

Measure	RTD	Within 10%	Peers
Geography	2,342 sq mi	2,108-2,576	Reiverside County Transportation Commission; King County Dept. of Metro Transit; Southern California Regional Rail Authority; Kentuckiana Regional Planning and Development Agency; Piedmont Authority for Regional Transportation; Central Florida Regional Transportation Authority; Maryland Transit Administration
Population	2.92m	2.63-3.21	Metropolitan Council; Orange County Transportation Authority; Central Puget Sound Regional Transportation Authority; Massachusetts Bay Transportation Authority; Port Authority Transit-Hudson
Total Ridership			
Light Rail Ridership	24.6m	22.1-27.1	METRO Light Rail (Minneapolis-St. Paul); SEPTA (Philadelphia); Central Link (Seattle)
Bus Ridership			
Employees			
Budget			

Geography

System	Area (Square Miles)	Population	Population/Square Mile
Riverside County Transportation Commission	2,100	1,800,000	857
King County Department of Metro Transit	2,134	2,100,000	984
Southern California Regional Rail Authority	2,291	8,300,000	3,622
RTD	2,342	2,900,000	1,248
Kentuckiana Regional Planning and Development Agency	2,446	1,200,000	491
Piedmont Authority for Regional Transportation	2,500	1,700,000	680
Central Florida Regional Transportation Authority	2,540	2,100,000	827
Maryland Transit Administration	2,560	7,800,000	3,046

Population

System	Population	Area (Square Miles)	Population/Square Mile
Metropolitan Council	2,850,000	2,975	958
Orange County Transportation Authority	2,870,000	435	6,598
RTD	2,920,000	2,342	1,247
Central Puget Sound RTA	3,110,000	1,087	2,861
Massachusetts Bay Transportation Authority	3,110,000	3,244	959
Port Authority Trans – Hudson Corporation	3,160,000	226	13,982

Total Ridership

Light Rail Ridership (Does not include heavy/commuter rail) Peer Systems

System	Largest city served	Annual ridership	Avg. daily weekday boardings	System length (miles)	Avg daily boardings/mile	Lines	Stations
Central Link	Seattle	25.2m	79,113	20.4	3,878	1	16
RTD	Denver	24.6m	95,300	58.5	1,629	8	62
SEPTA	Philadelphia	24.3m	66,633	68.4	974	8	>100
METRO Light Rail	Minneapolis-St. Paul	24.3m	75,300	75,300	3,454	2	37

Source: https://en.wikipedia.org/wiki/List_of_United_States_light_rail_systems_by_ridership

RTD overall rankings:

Annual Ridership: 8th of 41 systems (High = 51.4m, Low = 158k)

Avg. boardings/mile: 17th of 41 systems (High = 5,296, Low = 218)

System Length: 5th of 41 systems (High = 93, Low = 1.6)

Bus Ridership

Employees

Budget

October 5, 2020

ATTACH C

To: Members of the RTD Accountability Committee Finance Subcommittee

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

Meeting Date	Agenda Category	Agenda Item #
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SUBJECT

RTD State Statutes Summary

PROPOSED ACTION/RECOMMENDATIONS

N/A

ACTION BY OTHERS

N/A

SUMMARY

RTD is a creature of State statute (Title 32, Article 9). The statutes related to RTD give it specific authorities, responsibilities, and restrictions. Some of those have direct or potentially indirect impacts on the finances of RTD (Excerpts below).

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

The district may implement a system under which up to 58% of the district's vehicular service is provided by qualified private businesses. Sets out the processes and parameters for privately provided services.

CRS 32-9-119.7 Farebox recovery ratios – plans

Requires that 30% of RTD's operating costs be funded by revenues collected (all non-sales tax revenue generated through the operation and maintenance of the mass transit system, except ADA services).

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 any person or public entity for the provision of retail and commercial goods and services to the public at transfer facilities or for the provision of residential uses or other uses at such facilities. The district itself shall not provide retail and commercial goods and services at transfer facilities pursuant to this section, except for the sale of mass transportation tickets, tokens, passes, and other transactions directly and necessarily related to the operation of a mass transportation system. The district may negotiate and enter into agreements with third parties to provide any of the goods and services or other uses contemplated under this section.

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.

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

With limitations, RTD may charge a parking fee at a district parking facility for certain types of parking and customers.

32-9-120 Levy of taxes – limitations

no general ad valorem property taxes shall be levied, directly or indirectly, by the district under the provisions of this article, except for the payment of any annual deficit, if any, in the operation and maintenance expenses of the district, such levy not to exceed one-half mill on each dollar of valuation for assessment each year.

32-9-124 Forms of borrowing

Subject to the provisions of this article, the district, to carry out the purposes of this article, may borrow money and may issue the following district securities to evidence such borrowing: Notes, warrants, bonds, temporary bonds, refunding bonds, special obligation bonds, and interim notes.

32-9-128 Incurrence of special obligations

The district may borrow money in anticipation of the revenues and the sales tax proceeds of the district, but not the proceeds of any general ad valorem property taxes, and issue special obligation bonds to evidence the amount so borrowed. Any special obligation bonds or other obligations payable in whole or in part from the sales tax proceeds of the district or revenues of the district, or both, may be issued or incurred without an election, in anticipation of such sales tax proceeds or revenues, or both.

PREVIOUS DISCUSSIONS/ACTIONS

N/A

PROPOSED MOTION

N/A

ATTACHMENT

None

ADDITIONAL INFORMATION

If you need additional information, please contact Douglas W. Rex, Executive Director, at drex@drkog.org or (303) 480-6701; or Ron Papsdorf, Director, Transportation Planning and Operations, at 303-480-6747 or rpapsdorf@drkog.org.